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LEGISLATIVE HISTORY

Public Law 663--79th Congress

Chapter 870--2d Session

H. J. Res. 390

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DIGEST OF PUBLIC LAW 663

FIRST SUPPLEMENTAL APPROPRIATION ACT, 1947. Includes the following items: Council of Economic Advisers, \$275,000; OPA, \$26,000,000 additional Price Decontrol Board, \$250,000; overtime, leave, and holiday pay pursuant to Public Law 575, \$20,000,000, to be allocated to the departments concerned in amounts determined by the Budget Bureau; export control (Commerce Department), \$400,000; terminal leave for the armed forces, \$2,431,708,000 provision for earmarking certain War Department funds for allocation by the President to such agencies as he may determine for carrying out the Atomic Energy Act; stockpiling of strategic and critical materials by the Treasury Department, \$100,000,000; Joint Committee on the Economic Report, \$25,000; emergency collection of food prices by the Bureau of Labor Statistics, \$25,000; and various sums for judgments and claims.

INDEX AND SUMMARY OF HISTORY ON H. J. RES. 390

July 23, 1946 The appropriations proposed in H. J. Res. 390 were based upon estimates contained in House Documents Nos. 712, 715-717, 719-728, 747, and 748. Prints of the Documents.

July 26, 1946 Hearings: House, H. J. Res. 390.

July 27, 1946 Rep. Cannon introduced H. J. Res. 390 which was referred to the House Committee on Appropriations. Print of the measure as introduced.

July 29, 1946 House Committee reported H. J. Res. 390 without amendments. House Report 2694. Print of the measure as reported.

July 30, 1946 Debated in the House and passed without amendment.

 Referred to the Senate Committee on Appropriations. Print of the bill as referred to the Committee.

 Amendments proposed by Senator La Follette. Prints of the amendments.

July 31, 1946 Hearings: Senate, H. J. Res. 390.

 Senate Committee reported H. J. Res. 390 with amendments. Senate Report 1908. Print of the measure as reported.

August 1, 1946 Debated and passed the Senate with amendments. Print of the bill with the amendments of the Senate numbered. House and Senate Conferees appointed. House received the Conference Report. House Rept. 2725.

August 2, 1946 House and Senate agreed to the Congerence Report.

August 8, 1946 Approved. Public Law 663.

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
THE DEPARTMENT OF COMMERCE

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE FISCAL
YEAR 1947 IN THE AMOUNT OF \$600,000, FOR THE DEPARTMENT
OF COMMERCE

JULY 23, 1946.—Referred to the Committee on Appropriations and ordered to
be printed

THE WHITE HOUSE,
Washington, July 23, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$600,000, for the Department of Commerce.

The details of this estimate, the necessity therefor, and the reason for its submission at this time is set forth in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., July 22, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$600,000 for the Department of Commerce, as follows:

DEPARTMENT OF COMMERCE

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Export control: For an additional amount, fiscal year 1947, for "Export control", including the objects specified under this head in the Department of Commerce Appropriation Act, 1947----- \$600, 000

The purpose of the foregoing supplemental estimate is to enable the Department of Commerce to carry out its statutory obligations with respect to the control by licensing of the exportation from the United States of commodities in short supply. Since May 4, 1946, when the original estimate of fiscal year 1947 requirements for this activity was transmitted to Congress, the need for extending export controls to additional commodities has become critical and the volume of applications for licenses has greatly exceeded earlier estimates. The additional amount recommended will be required to meet the anticipated work load for the fiscal year 1947 and to avoid the drastic curtailment of this necessary activity before the next session of Congress.

The foregoing supplemental estimate is made necessary by reason of contingencies which have arisen since the transmission of the Budget for the fiscal year 1947 and I recommend that it be transmitted to Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.



SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
THE WAR DEPARTMENT

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE FISCAL
YEAR 1947 IN THE AMOUNT OF \$265,000 FOR THE WAR DEPART-
MENT FOR THE ALASKA COMMUNICATION SYSTEM

JULY 24, 1946.—Referred to the Committee on Appropriations and ordered to be
printed

THE WHITE HOUSE,
Washington, July 24, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$265,000 for the War Department for the Alaska Communication System.

The details of this estimate, the necessity therefor, and the reasons for its transmission at this time are set forth in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 23, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$265,000, to remain available until the end of the fiscal year 1948, for the War Department for the Alaska Communication System, as follows:

WAR DEPARTMENT CIVIL FUNCTIONS

SIGNAL CORPS

Alaska Communication System: For an additional amount, fiscal year 1947, for "Alaska Communication System", including the objects specified under this head in the War Department Civil Appropriation Act, 1947, \$265,000, to remain available until the close of the fiscal year 1948..... \$265, 000

A recent survey of the Alaska Communication System indicates that because traffic and work load have not decreased to the extent anticipated a year ago, the force for the current fiscal year must be maintained at an average of 197 rather than 150 as contemplated in the Budget. These funds would provide for the personal services including holiday pay, night-work differential, and overtime for the additional staff necessary.

The foregoing supplemental estimate is required to meet a contingency which has arisen since the submission of the Budget for the fiscal year 1947, and its approval is recommended.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

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SUPPLEMENTAL ESTIMATE OF APPROPRIATION TO PAY
CLAIMS OF GOVERNMENT EMPLOYEES

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION IN THE AMOUNT
OF \$20,000,000 FOR THE PAYMENT OF CLAIMS BY EMPLOYEES
AND FORMER EMPLOYEES OF THE GOVERNMENT FOR IN-
CREASED OVERTIME, LEAVE, AND HOLIDAY COMPENSATION
ON THE BASIS OF NIGHT RATES PURSUANT TO CERTAIN DE-
CISIONS OF THE COMPTROLLER GENERAL IN ACCORDANCE
WITH THE PROVISIONS OF H. R. 6532, SEVENTY-NINTH CON-
GRESS

JULY 25, 1946.—Referred to the Committee on Appropriations, and ordered to
be printed

THE WHITE HOUSE,
Washington, July 24, 1946.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress a supplemental estimate of appropriation in the amount of \$20,000,000 for the payment of claims by employees and former employees of the Government for increased overtime, leave, and holiday compensation on the basis of night rates pursuant to certain decisions of the Comptroller General in accordance with the provisions of H. R. 6532, Seventy-ninth Congress.

The details of this estimate, the necessity therefor and the reasons for its submission at this time are set forth in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 24, 1946.

THE PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation in the amount of \$20,000,000 to remain available until expended, for the payment of claims of employees and former employees of the Government for increased overtime, leave, and holiday compensation on the basis of night rates pursuant to certain decisions of the Comptroller General and in accordance with the provisions of H. R. 6532, Seventy-ninth Congress.

EXECUTIVE OFFICE OF THE PRESIDENT

OVERTIME, LEAVE, AND HOLIDAY COMPENSATION

Overtime, Leave, and Holiday Compensation: To enable the President through the departments and agencies concerned to pay claims for overtime, leave, and holiday compensation at night rates as certified under the Act of —, Public Law —, \$20,000,000, to be available until expended for allocation to the departments and agencies concerned in such amounts respectively as may be determined by the Director of the Bureau of the Budget.

The foregoing estimate of appropriation is required to meet contingencies which have arisen since the transmission of the budget for the fiscal year 1947 and approval is recommended.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

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SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
ARMED FORCES LEAVE PAYMENTS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION IN THE AMOUNT
OF \$2,679,493,000 FOR THE COST OF TERMINAL LEAVE AND AC-
CUMULATED LEAVE IN EXCESS OF 90 DAYS FOR MEMBERS OF
THE ARMED FORCES IN ACCORDANCE WITH THE PROVISIONS
OF H. R. 4051, SEVENTH-NINTH CONGRESS

JULY 25, 1946.—Referred to the Committee on Appropriations and ordered to
be printed

THE WHITE HOUSE,
Washington, July 24, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration
of the Congress a supplemental estimate of appropriation in the
amount of \$2,679,493,000 for the cost of terminal leave and accumu-
lated leave in excess of 90 days for members of the armed forces in
accordance with the provisions of H. R. 4051, Seventy-ninth Congress.

The details of this estimate, the necessity therefor and the reasons
for its submission at this time are set forth in the letter of the Acting
Director of the Bureau of the Budget, transmitted herewith, in whose
comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., July 24, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation in the amount of \$2,679,493,000, to remain available until expended, for terminal leave and accumulated leave in excess of 90 days for members of the armed forces in accordance with the provisions of H. R. 4051, Seventy-ninth Congress, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT
ARMED FORCES LEAVE PAYMENTS

Payments under the Armed Forces Leave Act of 1946: For all expenses necessary to enable the President through the Treasury, War, and Navy Departments to carry out the provisions of the Armed Forces Leave Act of 1946, including cash payments to members and former members of the Armed Forces, payments to the Treasurer of the United States of amounts representing the face value of bonds issued to such servicemen, and administrative expenses until June 30, 1948, including printing and binding, penalty mail costs, and personal services in the District of Columbia and elsewhere without regard to section 14 (a) of the Federal Employees Pay Act of 1946, \$2,679,493,000, to be available (except as to administrative expenses) until expended and for allocation to said departments by transfer to and merger with appropriations thereof or otherwise, in such amounts respectively as may be determined by the Director of the Bureau of the Budget— \$2, 679, 493, 000

The bill (H. R. 4051) entitled "An act to grant personnel of the armed forces equal treatment in the matter of leave, and for other purposes," provides for certain benefits in lieu of accumulated leave to enlisted men discharged prior to September 1, 1946, and payments to members of the armed forces in the service on September 1, 1946, who have, on that date, accumulated leave in excess of 90 days.

The foregoing estimate represents the total cost of such benefits including expenses incident to the administration thereof. Of the total, it is estimated that \$2,658,658,000 will be required for payments in bonds and in cash to members and former members of the armed forces, and \$20,835,000 will be required for administrative expenses. The cost is distributed as follows: War Department, \$1,883,068,000; Navy Department, \$736,130,000; and Treasury Department, \$60,295,000.

A substantial number of civilian personnel will be required to administer this program in addition to the numbers of personnel contemplated under the ceilings established in section 14 (a) of the Federal Employees Pay Act of 1946. It is proposed that all personnel employed under this appropriation be exempted from such ceiling requirements.

The foregoing estimate is made necessary by reason of contingencies which have arisen since the transmission of the Budget for the fiscal year 1947. I recommend that it be transmitted to the Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

JUDGMENT RENDERED AGAINST THE UNITED STATES
BY THE DISTRICT COURT OF THE UNITED STATES
FOR THE WESTERN DISTRICT OF KENTUCKY

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

RECORD OF JUDGMENT RENDERED AGAINST THE GOVERNMENT
BY THE DISTRICT COURT OF THE UNITED STATES FOR THE
WESTERN DISTRICT OF KENTUCKY, AS SUBMITTED BY THE
DEPARTMENT OF JUSTICE THROUGH THE TREASURY DEPART-
MENT, AND WHICH REQUIRES AN APPROPRIATION OF \$218.92,
TOGETHER WITH AN INDEFINITE APPROPRIATION TO PAY
INTEREST

JULY 25, 1946.—Referred to the Committee on Appropriations and ordered to be
printed

THE WHITE HOUSE,
Washington, July 25, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress, in accordance with the provisions contained in the Deficiency Act of April 27, 1904 (31 U. S. C. 583, par. 2), a record of judgment rendered against the Government by the District Court of the United States for the Western District of Kentucky, as submitted by the Department of Justice through the Treasury Department, and which requires an appropriation of \$218.92, together with an indefinite appropriation to pay interest.

The necessity for the appropriation asked is explained in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 23, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration in accordance with the provisions contained in the Deficiency Act of April 27, 1904 (31 U. S. C. 583, par. 2), a record of judgment rendered against the Government by the District Court of the United States for the Western District of Kentucky under the provisions of the act of March 3, 1887, as amended by section 297 of the act of March 3, 1911 (28 U. S. C. 761), as submitted by the Department of Justice through the Treasury Department as follows:

Under War Department..... \$218.92

For the payment of this judgment there is required at this time an appropriation of \$218.92, together with an indefinite appropriation to pay interest, provided that payment is to be made only when right of appeal shall have expired.

The letter from the Treasury Department and a copy of the record of judgment submitted by the Department of Justice are attached.

Since the foregoing is an obligation of the Government, lawfully imposed, and which (subject to the reserved right of appeal) must be paid, an appropriation for that purpose is necessary at this time.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington 25, July 22, 1946.

Judgment under Tucker Act.

The DIRECTOR, BUREAU OF THE BUDGET.

SIR: There is transmitted herewith for submission to Congress, in compliance with the provisions contained in the Deficiency Act of April 27, 1904 (31 U. S. C. 583, par. 2), record of judgment rendered against the Government by United States district court under the provisions of the act of March 3, 1887, as amended by section 297 of the act of March 3, 1911 (28 U. S. C. 761), as submitted to the Treasury Department by the Attorney General, as follows:

Under Executive Departments: War..... \$218.92

For the payment of this judgment there is required an appropriation of \$218.92, together with such amount as may be necessary to pay interest; provided that payment of this judgment is to be made only when the right of appeal shall have expired.

Very truly yours,

GEO. H. JONES,
Acting Budget Officer, Treasury.

DEPARTMENT OF JUSTICE,
Washington 25, D. C., July 2, 1946.

Mr. JOSEPH A. WOODSON,
*Chief, Division of Bookkeeping and Warrants,
Treasury Department, Washington, D. C.*

DEAR MR. WOODSON: There is enclosed for report to Congress for appropriation a certified copy of a judgment entered on May 28, 1946, by the United States District Court for the Western District of Kentucky in the action entitled "*Ellie W. Gibson v. United States*," awarding the plaintiff \$218.92, without interest or costs. The action was brought under the Tucker Act for the taking of a leasehold interest and growing crops on certain lands in McCracken County, Ky. The War Department is the governmental agency in interest. F. L. Pearl, Citizens Savings Bank Building, Paducah, Ky., appeared as attorney of record for the plaintiff. No further proceedings in the case will be had.

Respectfully,

DAVID L. BAZELON,
Assistant Attorney General
(For the Attorney General).

Name: Ellie W. Gibson.

Date: May 28, 1946.

Amount: \$218.92.

Nature of claim: Suit was brought under Tucker Act for the taking of a leasehold interest and growing crops on certain lands in McCracken County, Ky. (War).

Final decree: Ordered, adjudged, that the plaintiff recover of the United States of America the sum of \$218.92.

Court: District Court of the United States for the Western District of Kentucky, at Paducah.

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SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
THE PRICE DECONTROL BOARD

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE FISCAL
YEAR 1947 IN THE AMOUNT OF \$250,000 FOR THE PRICE DECON-
TROL BOARD

JULY 25, 1946.—Referred to the Committee on Appropriations and ordered to be
printed

THE WHITE HOUSE,
Washington, July 25, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$250,000 for the Price Decontrol Board. The details of this estimate, the necessity therefor, and the reasons for its submission at this time are set forth in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 25, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$250,000 for the Price Decontrol Board, as follows:

PRICE DECONTROL BOARD

Salaries and expenses: For all necessary expenses, fiscal year 1947, of the Price Decontrol Board in carrying out its functions under the Price Control Extension Act of 1946 and all other powers and duties and functions which may be lawfully vested in the Price Decontrol Board, including personal services in the District of Columbia and elsewhere; temporary employment of persons or organizations by contract or otherwise without regard to civil-service and classification laws; acceptance and utilization of voluntary and uncompensated services; law books, books of reference, newspapers and periodicals; printing and binding; purchase of one, and hire, maintenance, operation, and repair of passenger automobiles; travel expenses, including expenses of attendance at meetings or organizations concerned with the work of the Board; and not to exceed \$5,000 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the Act of June 28, 1944 (Public Law 364) ----- \$250, 000

The Price Control Extension Act of 1946 establishes as an independent agency in the executive branch of the Government a Price Decontrol Board, to be composed of three members.

An adequate staff will be required to enable the Board to effectively and expeditiously discharge its responsibilities under the act. Heavy work load is anticipated in connection with hearings and analyses of petitions for the decontrol of nonagricultural commodities and for studies to determine the necessity for the recontrol of certain agricultural commodities. While the act would allow the Board to utilize other agencies to assist in carrying out its functions, the apparent intent of Congress that the Board be in a position to exercise independent judgment requires that the Board have funds to employ its own personnel.

No final estimate of the appropriation requirements of the Board can be made until the Board has been appointed and has had time to give consideration to its needs. The prospective early adjournment of Congress will not allow the development of such an estimate. It is essential, however, that the Board have funds immediately upon its appointment.

The estimate submitted herewith has been developed in the Bureau of the Budget and is based on the best information available as to what the Board's work will require. It would provide \$200,000 for the employment of approximately 40 people in addition to the Board members and the secretary to the Board, and \$50,000 for expenses of the Board other than personal services. I believe that this estimate will make adequate provision for the Board at least until the new Congress convenes. Whether it will provide for a full year's operation is impossible to say at this time.

The foregoing supplemental estimate is made necessary by reason of contingencies which have arisen since the transmission of the Budget for the fiscal year 1947. I recommend that it be transmitted to the Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

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SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
THE OFFICE OF PRICE ADMINISTRATION

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE FISCAL
YEAR 1947 IN THE AMOUNT OF \$26,000,000 FOR THE OFFICE OF
PRICE ADMINISTRATION

JULY 25, 1946.—Referred to the Committee on Appropriations and ordered to be
printed

THE WHITE HOUSE,
Washington, July 25, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration
of Congress a supplemental estimate of appropriation for the fiscal
year 1947 in the amount of \$26,000,000 for the Office of Price Admin-
istration.

The details of this estimate, the necessity therefor, and the reasons
for its submission at this time are set forth in the letter of the Acting
Director of the Bureau of the Budget, transmitted herewith, in whose
comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 25, 1946.

THE PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a
supplemental estimate of appropriation for the fiscal year 1947 in the
amount of \$26,000,000 for the Office of Price Administration, as
follows:

2 SUPPLEMENTAL ESTIMATE—OFFICE OF PRICE ADMINISTRATION

OFFICE OF PRICE ADMINISTRATION

Salaries and expenses: For an additional amount, fiscal year 1947, for "Salaries and expenses," including the objects and subject to the conditions specified under this head in the Third Deficiency Appropriation Act, 1946----- \$26, 000, 000

The Third Deficiency Appropriation Act, 1946, passed by the Congress before legislation extending price control had been enacted, provides an appropriation of \$75,000,000 for the Office of Price Administration, compared with the original estimate of \$142,200,000. The Price Administrator has indicated that the appropriation of \$75,000,000 is insufficient to permit effective operation of the agency under the contemplated Price Control Extension Act of 1946 until additional funds can be requested when the new Congress convenes. It is believed that an additional amount of \$26,000,000 will be required to finance the agency until approximately February 15, 1947. An estimate providing funds for the remainder of the fiscal year will be submitted at a later date.

The foregoing supplemental estimate is made necessary by reason of contingencies which have arisen since the transmission of the Budget for the fiscal year 1947 and I recommend that it be transmitted to Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

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SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
THE ATOMIC ENERGY COMMISSION

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE FISCAL
YEAR 1947 IN THE AMOUNT OF \$750,000 FOR THE ATOMIC ENERGY
COMMISSION

JULY 25, 1946.—Referred to the Committee on Appropriations, and ordered to
be printed

THE WHITE HOUSE,
Washington, July 25, 1946.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit for the consideration of Congress a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$750,000 for the Atomic Energy Commission.

The details of this estimate, the necessity therefor, and the reasons for its submission at this time are set forth in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 25, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$750,000 for the Atomic Energy Commission, as follows:

ATOMIC ENERGY COMMISSION

Salaries and expenses: For all expenses necessary to enable the Atomic Energy Commission established by the Atomic Energy Act of 1946 to carry out the provisions of said Act during the fiscal year 1947, including personal services in the District of Columbia and elsewhere without regard to section 14 (a) of the Federal Employees Pay Act of 1946; travel; printing and binding; rent in the District of Columbia; lawbooks, books of reference, newspapers, and periodicals; purchase, operation, maintenance, and repair of two passenger automobiles; contract stenographic reporting services; and not to exceed \$5,000 for deposit in the general fund of the Treasury for the cost of penalty mail as required by section 2 of the Act of June 28, 1944 (Public Law 364)----- \$750,000

This estimate provides for the initial administrative expenses of the Commission as nearly as these expenses can be forecast at this time. The estimate has been made after careful review of the pertinent provisions of S. 1717 concerning the organization of the Commission.

The foregoing supplemental estimate is made necessary by reason of contingencies which have arisen since the transmission of the Budget for the fiscal year 1947. I recommend that it be transmitted to the Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.



SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
THE COUNCIL OF ECONOMIC ADVISERS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE FISCAL
YEAR 1947 IN THE AMOUNT OF \$375,000 FOR THE COUNCIL OF
ECONOMIC ADVISERS

JULY 25, 1946.—Referred to the Committee on Appropriations, and ordered to
be printed

THE WHITE HOUSE,
Washington, July 25, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$375,000 for the Council of Economic Advisers.

The details of this estimate, the necessity therefor, and the reasons for its submission at this time are set forth in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 25, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$375,000 for the Council of Economic Advisers, as follows:

COUNCIL OF ECONOMIC ADVISERS

Salaries and expenses: For all necessary expenses, fiscal year 1947, of the Council of Economic Advisers in carrying out its functions under the Employment Act of 1946 (Public Law 304), including personal services in the District of Columbia and elsewhere; temporary employment of persons or organizations without regard to civil-service and classification laws; acceptance and utilization of voluntary and uncompensated services; lawbooks, books of reference, newspapers, and periodicals; printing and binding; purchase of one, and hire, maintenance, operation, and repair of passenger automobiles; travel expenses, including expenses of attendance at meetings or organizations concerned with the work of this agency; and not to exceed \$8,000 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the Act of June 28, 1944 (Public Law 364)----- \$375, 000

An initial estimate of this amount is submitted to provide for the establishment of the Council of Economic Advisers and the employment of necessary officers and employees in carrying out the provisions of the Employment Act of 1946.

The foregoing supplemental estimate is made necessary by reason of contingencies which have arisen since the transmission of the Budget for the fiscal year 1947. I recommend that it be transmitted to the Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.



ESTIMATE OF APPROPRIATION FOR PAYMENT OF
CERTAIN CLAIMS ALLOWED BY THE GENERAL
ACCOUNTING OFFICE

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

ESTIMATE OF APPROPRIATION UNDER THE TREASURY DEPART-
MENT FOR PAYMENT OF CERTAIN CLAIMS ALLOWED BY THE
GENERAL ACCOUNTING OFFICE, AMOUNTING TO \$30,591.32

JULY 25, 1946.—Referred to the Committee on Appropriations, and ordered to
be printed.

THE WHITE HOUSE,
Washington, July 24, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress, in compliance with section 2 of the act of July 7, 1884 (5 U. S. C. 266), an estimate of appropriation under the Treasury Department for payment of certain claims allowed by the General Accounting Office, amounting to \$30,591.32.

The necessity for this appropriation is explained in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 23, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration, in compliance with section 2 of the act of July 7, 1884 (5 U. S. C. 266),

an estimate of appropriation for the payment of certain claims allowed by the General Accounting Office, amounting to \$30,591.32, as covered by a certificate of settlement transmitted to the Treasury Department for payment under the following act:

Public Law 247, Seventy-ninth Congress, approved December 5, 1945, entitled "An act granting travel pay and other allowances to certain soldiers of the War with Spain and the Philippine Insurrection who were discharged in the Philippine Islands."

Since no appropriation for the payment of these claims is provided by the above act, an appropriation for that purpose is necessary at this time, as follows:

Under War Department: Travel pay and allowances, Regulars, War
with Spain in the Philippine Islands, Act December 5, 1945..... \$30, 591. 32

The letter of the Treasury Department and a copy of the certificates of settlement, the numbers of which are shown in the first column of the schedule, are submitted herewith.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

TREASURY DEPARTMENT,
Washington 25, July 22, 1946.

The DIRECTOR, BUREAU OF THE BUDGET.

SIR: Pursuant to the provisions of section 2 of the act of July 7, 1884 (5 U. S. C. 266), there is presented for your consideration, with a view to its submission to Congress, a schedule covering claims allowed by the General Accounting Office under the certificates of settlement shown in the schedule, which have been transmitted to the Treasury Department for payment.

The authorization and direction for settlement of these claims in the General Accounting Office is contained in the following act:

Public Law 247, Seventy-ninth Congress, approved December 5, 1945, entitled "An Act granting travel pay and other allowances to certain soldiers of the War with Spain and the Philippine Insurrection who were discharged in the Philippine Islands."

No appropriation is provided in the act of December 5, 1945, for the payment of these claims, therefore there is required at this time an appropriation to meet the payment thereof as follows:

Under the War Department: Travel pay and allowances, Regulars,
War with Spain in the Philippine Islands..... \$30, 591. 32

Very truly yours,

GEO. H. JONES,
Acting Budget Officer, Treasury.

CLAIMS ALLOWED BY GENERAL ACCOUNTING OFFICE

3

Schedule of claims allowed by the General Accounting Office under the authority contained in Public Law No. 247, 79th Cong., approved Dec. 5, 1945

[Appropriation under War Department: Travel pay and allowances, Regulars, War with Spain in the Philippine Islands]

Certifi- cate of Settle- ment No.	Name	Amount	Certifi- cate of Settle- ment No.	Name	Amount
1360918	William R. Annan.....	\$374.30	1368826	Clark Landers.....	\$374.30
1365167	Jesse F. Ballew.....	374.30	1368545	Thomas A. Lawson.....	400.50
1356843	Albert E. Barth.....	374.30	1368311	Jessie Harper Lohr.....	374.30
1366395	William H. Bauer.....	520.30	1370943	Edgar F. Ludwig.....	374.30
1365159	Robert W. Baxter.....	374.30	1375090	John D. Lynch.....	374.30
1370684	James M. Benner.....	374.30	1368919	John D. Lynch.....	374.30
1365706	Nils C. Bensen.....	374.30	1369203	James J. McKee.....	374.30
1364014	William C. Beville.....	374.30	1356162	David Mann.....	374.30
1366775	Willie C. Binion.....	403.50	1368977	George G. Marcy.....	403.50
1360817	William L. Bolton.....	374.30	1363829	George A. Mickel.....	374.30
1356871	Jay Bouslog.....	374.30	1354268	Nils N. Midthun.....	374.30
1365519	William C. Brennan.....	374.30	1359654	George Frederick Nelson.....	374.30
1360074	Edward Bright.....	374.30	1370758	Richard H. Newbury.....	374.30
1368431	Frederick W. Brown.....	374.30	1365434	Herbert W. Ogilvie.....	374.30
1356914	Riley G. Callahan.....	374.30	1370446	Diedrich Onken.....	374.30
1366383	Garfield F. Carson.....	403.50	1369573	Harry R. Osgood.....	374.30
1362738	Halbert Strong Crossland.....	374.30	1361959	Ulysses G. Packard.....	374.30
1363739	Robert Cryan.....	403.50	1363510	William Parker.....	374.30
1356300	Arthur M. Downes.....	374.30	1365327	Jerome Patterson.....	403.50
1365227	Frederick Duvall.....	508.13	1368523	Peter A. Peterson.....	374.30
1371049	August Eickworth.....	374.30	1370472	Robert L. Ream.....	374.30
1371454	John J. Flynn.....	374.30	1362655	Charles Rie.....	374.30
1360718	Albert E. Fout.....	374.30	1362630	Daniel B. Roberts.....	374.30
1363773	Arthur J. Fowlie.....	374.30	1368709	Lark Sandlin.....	374.30
1368212	George A. Fry.....	374.30	1364668	Simon Sax, Jr.....	374.30
1369638	Hugh Glasgow.....	374.30	1368338	Michael J. Scarry.....	374.30
1369263	John Robert Graham.....	432.70	1360420	Frederick W. Shadinger.....	403.50
1369975	Alfonso F. Hamilton.....	403.50	1362491	Oliver S. Simpson.....	374.30
1365194	Thomas J. Hannon.....	403.50	1360194	Leroy S. Smith.....	374.30
1364589	Christian P. M. Hansen.....	374.30	1364738	Henry Snyder.....	374.30
1357513	Edward E. Harrison.....	374.30	1361325	Alhert Sonneman.....	374.30
1362332	Henry Hartman.....	374.30	1358782	David Stone.....	374.30
1365074	Paul V. Heigel.....	374.30	1369449	Martin C. Stubr.....	374.30
1363460	Samuel R. Higgins.....	374.30	1372112	David J. Sullivan.....	447.49
1371481	Arwed N. Holmberg.....	374.30	1369596	George C. Taylor.....	447.30
1368578	Edward L. Hudson.....	447.30	1361396	Arthur E. Temple.....	447.30
1369153	Henry R. Huntsman, alias Charles H. Ralls.....	374.30	1368810	Edwin S. Voorhis.....	432.70
1369352	Edward Jackson.....	447.30	1358767	Ollie B. Wright.....	374.30
1367418	Ernest Johnson.....	374.30	1362988	George Yorkshir.....	374.30
1362450	William S. Kennedy.....	374.30		Total.....	30,591.32

ESTIMATES OF APPROPRIATION TO PAY CLAIMS FOR
DAMAGES TO PRIVATELY OWNED PROPERTY

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

ESTIMATES OF APPROPRIATION SUBMITTED BY THE SEVERAL
EXECUTIVE DEPARTMENTS AND INDEPENDENT OFFICES TO
PAY CLAIMS FOR DAMAGES TO OR LOSSES OF PRIVATELY OWNED
PROPERTY, IN THE SUM OF \$1,425.57

JULY 25, 1946.—Referred to the Committee on Appropriations and ordered to be
printed

THE WHITE HOUSE,
Washington, July 24, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress estimates of appropriation submitted by the several executive departments and independent offices to pay claims for damages to or losses of privately owned property, in the sum of \$1,425.57, which have been considered and adjusted under the provisions of the act of December 28, 1922 (31 U. S. C. 215), and which require appropriations for their payment.

The necessity for the appropriations asked is explained in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 23, 1946.

THE PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration estimates of appropriation submitted by the several executive departments and independent offices to pay claims for damages to or losses

of privately owned property which have been considered and adjusted under the provisions of the act of December 28, 1922 (31 U. S. C. 215), and which require appropriations for their payment, as follows:

DAMAGE CLAIMS

For the payment of claims for damages to or losses of privately owned property adjusted and determined by the following respective departments and independent offices, under the provisions of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in the sum not exceeding \$1,000 in any one case," approved December 28, 1922 (31 U. S. C. 215), as fully set forth in House Document No. —, Seventy-ninth Congress, as follows:

Federal Works Agency	\$136. 15
Department of Commerce	71. 86
Department of the Interior	905. 26
Treasury Department	312. 30
Total	1, 425. 57

The letters from the several departments and independent offices submitting these estimates are transmitted herewith.

In accordance with the provisions of the act providing for these submissions, I recommend that these estimates be transmitted to Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

FEDERAL WORKS AGENCY,
Washington 25, July 15, 1946.

The DIRECTOR, BUREAU OF THE BUDGET,
Washington 25, D. C.

DEAR SIR: In accordance with the provisions of the act of Congress approved December 28, 1922 (42 Stat. 1066), the following-described claim accruing after April 6, 1917, on account of damage to or loss of privately owned property, due to the negligence of officers or employees of the Federal Works Agency acting within the scope of their employment and presented to the Agency within 1 year from the date of accrual of said claim is submitted.

This claim has been examined by the general counsel of this Agency, who advises me that it is a legal claim for submission under the said act.

I therefore certify the amount due the claimant, as herein set forth, as a legal claim and recommend that it be submitted to Congress for payment out of appropriations that may be made therefor:

Mr. James F. Craver, 7421 Blair Road NW., Washington, D. C. On December 14, 1945, on Constitution Avenue NW., Washington, D. C., near the intersection of Tenth Street, a Government vehicle was traveling west on Constitution Avenue in the rear of Mr. Craver's automobile. Near Tenth Street, the privately owned vehicle suddenly stopped and the Government truck ran into the rear thereof. The operator of the Government truck stated that his foot slipped from the brake when he attempted to stop the truck.

Amount claimed, \$106.15; amount allowed, \$106.15.

Very truly yours,

PHILIP B. FLEMING,
Major General, United States Army,
Administrator.

FEDERAL WORKS AGENCY,
Washington 25, July 8, 1946.

The DIRECTOR, BUREAU OF THE BUDGET,
Washington 25, D. C.

DEAR SIR: In accordance with the provisions of the act of Congress approved December 28, 1922 (42 Stat. 1066), the following-described claim accruing after April 6, 1917, on account of damage to or loss of privately owned property, due to the negligence of officers or employees of the Federal Works Agency acting within the scope of their employment and presented to the Agency within 1 year from the date of accrual of said claim, is submitted.

This claim has been examined by the general counsel of this Agency, who advises me that it is a legal claim for submission under the said act.

I therefore certify the amount due the claimant, as herein set forth, as a legal claim and recommend that it be submitted to Congress for payment out of appropriations that may be made therefor:

Mr. Ray L. Bungarner, 6136 Thirtieth Street NW., Washington, D. C. On December 20, 1945, on E Street NW., Washington, D. C., near the intersection of Virginia Avenue, an employee of Public Buildings Administration in operating a truck, in an effort to start a stalled truck, negligently caused the vehicle he was operating to strike the right front fender of the claimant's automobile, which was lawfully parked at the time, damaging it to the extent of \$30.

Amount claimed, \$30; amount allowed, \$30.

Very truly yours,

PHILIP B. FLEMING,
Major General, United States Army,
Administrator.

THE SECRETARY OF COMMERCE,
Washington 25, July 2, 1946.

HON. HAROLD D. SMITH,
Director, Bureau of the Budget,
Washington, D. C.

MY DEAR MR. SMITH: In accordance with the provisions of the act of Congress approved December 28, 1922 (U. S. C., title 31, secs. 215-217), I have considered, ascertained, and determined the following-described claim accruing after April 6, 1917, on account of damage to privately owned property, due to negligence of an employee of the Civil Aeronautics Administration, acting within the scope of his employment, and presented to the Administration within 1 year from the date of occurrence.

This claim has been examined by the Solicitor of this Department and found to be a legal claim for submission under the said act.

I certify the amount due the claimant, as herein set forth, as a legal claim, and recommend that it be submitted to Congress for payment out of an appropriation that may be made therefor.

John Cunningham, Route 3, Dayton, Ohio, Farm Mutual Automobile Insurance Co., insurer-subrogee, 246 North High Street, Columbus 16, Ohio. On September 1, 1944, while driving at the intersection of State Route No. 202 at Harshmanville Road, Dayton, Ohio, in United States truck No. C-459, an employee of the Civil Aeronautics Administration negligently struck and damaged car of John Cunningham, insured by Farm Mutual Automobile Insurance Co.

John Cunningham: Amount claimed, \$15.88; amount allowed, \$14.37.
 Farm Mutual Automobile Insurance Co.: Amount claimed, \$65.70; amount allowed, \$57.49.

Sincerely yours,

H. A. WALLACE.

DEPARTMENT OF THE INTERIOR,
Washington 25, D. C., July 17, 1946.

Hon. PAUL H. APPLEBY,
Acting Director, Bureau of the Budget.

MY DEAR MR. APPLEBY: In accordance with the provisions of the act of Congress approved on December 28, 1922 (42 Stat. 1066, 31 U. S. C. sec., 215), I have considered, ascertained, adjusted, and determined the following-described claim on account of damage to privately owned property due to the negligence of an employee of the Office of National Capital Parks, National Park Service, acting within the scope of his employment, and presented to the Department within 1 year from the date of the accrual thereof.

This claim has been examined by the Solicitor of the Department, who has advised me that it is a legal claim for submission under the said act.

I certify the amount due the claimant, as herein set forth, is a legal claim and recommend that it be submitted to Congress for payment out of appropriations that may be made therefor.

Mrs. Ruth P. Austin, 3020 Tilden Street NW., Washington, D. C., has filed a claim in the amount of \$139.10 against the United States for compensation for damages to her 1942 Buick sedan as a result of a collision with a Government-owned Ford towing crane, driven negligently by a Government employee.

Amount claimed, \$139.10; amount allowed, \$139.10.

Sincerely yours,

WARNER W. GARDNER,
Assistant Secretary.

DEPARTMENT OF THE INTERIOR,
Washington 25, July 16, 1946.

Hon. PAUL H. APPLEBY,
Acting Director, Bureau of the Budget.

MY DEAR MR. APPLEBY: In accordance with the provisions of the act of Congress approved December 28, 1922 (42 Stat. 1066, 31 U. S. C., sec. 215), I have considered, ascertained, adjusted, and determined the following-described claim on account of loss of personal property resulting from the wrecking of the USFWS *Eider* which was due to negligent navigation by an employee of the Fish and Wildlife Service acting within the scope of his employment. The claim has been presented to this Department within 1 year from the date of accrual thereof.

The Solicitor of the Department has examined the claim and has advised me that it is a valid one for submission under the said act.

I certify the amount due the claimant, as herein set forth, as a proper claim and recommend that it be submitted to Congress for payment out of appropriations that may be made therefor. The claimant has stated that the amount allowed is acceptable to him.

Mr. George M. Thompson, 5225 Thirty-sixth Avenue SW., Seattle, Wash. Claim in the amount of \$345.50 against the United States for compensation for loss of personal property as the result of the wreck of the USFWS *Eider*, assigned to the Fish and Wildlife Service and commanded by an employee of that Service. Amount claimed \$345.50; amount allowed, \$122.50.

Sincerely yours,

WARNER W. GARDNER,
Assistant Secretary.

DEPARTMENT OF THE INTERIOR,
Washington 25, D. C., July 16, 1946.

HON. PAUL H. APPLEBY,
Acting Director, Bureau of the Budget.

MY DEAR MR. APPLEBY: In accordance with the act of December 28, 1922 (42 Stat. 1066; 31 U. S. C., sec. 215), I have considered and determined the following-described claims for damage to privately owned property due to the negligence of employees of the National Park Service of this Department acting within the scope of their employment. These claims were presented to the Department within 1 year from the date of the accrual thereof.

These claims have been examined by the Solicitor of the Department, who advises me that they are legal claims for submission under the said act.

I therefore certify the amounts due the claimants, as herein set forth, as legal claims, and recommend that they be submitted to Congress for payment out of an appropriation that may be made therefor:

1. Mr. E. S. Shattuck, Carlsbad, N. Mex. On August 19, 1944, an automobile owned by Mr. Shattuck was damaged by a Government-owned vehicle driven negligently by a Government employee of Carlsbad Caverns National Park.

Amount claimed, \$12.24; amount allowed, \$12.24.

2. George Walker, Jackson, Wyo. On June 23, 1945, an automobile owned by Mr. Walker was damaged by a Government-owned truck driven negligently by a Government employee of Grand Teton National Park.

Amount claimed, \$19.87; amount allowed, \$19.87.

3. State Farm Mutual Automobile Insurance Co., Bloomington, Ill., subrogee of George Walker. For damage to Mr. Walker's automobile, as specified in item 2.

Amount claimed, \$79.48; amount allowed, \$79.48.

Summary (3 claims)

Total amount claimed	-----	\$111. 59
Total amount allowed	-----	111. 59

Sincerely yours,

WARNER W. GARDNER,
Assistant Secretary.

DEPARTMENT OF THE INTERIOR,
Washington, June 28, 1946.

MR. PAUL H. APPLEBY,
Acting Director, Bureau of the Budget.

MY DEAR MR. APPLEBY: In accordance with the provisions of the act of Congress approved December 28, 1922 (U. S. C., 215-217), this Department has considered, adjusted, and determined the claims listed herein for the loss or damage to privately owned property due to the operations of the Bureau of Reclamation.

These claims have been examined by the Solicitor of the Interior Department, who advises me that they are legal claims for submission under said act. I certify the amounts found due the claimants, as herein set forth, are legal claims and recommend that they be certified to Congress for payment from appropriations that may be made therefor.

Paul G. Barkley, Mancos, Colo. On April 6, 1945, as the result of a fire which occurred at C. P. S. Camp No. 111, tools belonging to Mr. Barkley were destroyed. The fire was caused due to the negligence of the watchman who used an excessive amount of coal and did not remain nearby a sufficient length of time to be sure everything was safe.

Amount claimed, \$274.13; amount allowed, \$274.13.

Fred H. Nossaman, Mancos, Colo. During the same fire as described in the claim of Paul G. Barkley, tools belonging to Mr. Nossaman were destroyed.

Amount claimed, \$235.28; amount allowed, \$235.28.

Cletus M. Madison, Coulee Dam, Wash. On December 18, 1945, the driver of a Government truck, assigned to the Bureau of Reclamation at Coulee Dam Wash., while backing his vehicle, hit the left side of the claimant's car, which was parked along Lincoln Avenue. The record indicates that the Government driver failed to look to the rear as he placed his truck in reverse gear.

Amount claimed, \$22.66; amount allowed, \$22.66.

Summary (3 claims)

Total amount claimed-----	\$532. 07
Total amount allowed-----	532. 07

Sincerely yours,

OSCAR L. CHAPMAN,
Under Secretary.

TREASURY DEPARTMENT,
Washington, July 22, 1946.

The DIRECTOR, BUREAU OF THE BUDGET.

SIR: There is transmitted herewith for your consideration an estimate of appropriation, in the amount of \$312.30, under the provisions of the act approved December 28, 1922, entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in sums not exceeding \$1,000 in any one case" (U. S. C., title 31, secs. 215-217), which requires an appropriation for its payment as follows:

Claims for damages, act December 28, 1922, Treasury Department---- \$312. 30

This estimate arises out of the following claims accruing since April 6, 1917, and presented within 1 year from the date of their accrual, on account of damages to or loss of privately owned property caused by the negligence of employees of the Treasury Department, acting within the scope of their employment.

1. American Automobile Fire Insurance Co., New York City, N. Y., as insurance subrogee of Lester R. Trice. On January 17, 1945, the automobile of claimant's assured was damaged by Alcohol Tax Unit vehicle No. 6469, the driver of which neglected to maintain proper control of the Government vehicle.

Amount claimed, \$66.50; amount allowed, \$66.50.

2. American Automobile Fire Insurance Co., Pierce Building, St. Louis, Mo., as subrogee of W. E. Reed. On November 27, 1945, the automobile of claimant's assured was damaged by Procurement Division fuel yards truck No. 57, the driver of which neglected to maintain proper control of the Government vehicle.

Amount claimed, \$195.80; amount allowed, \$195.80.

3. W. E. Reed, 910 Thayer Avenue, Silver Spring, Md. On November 27, 1945, claimant's automobile was damaged by Procurement Division fuel yards truck No. 57, the driver of which neglected to maintain proper control of the Government vehicle.

Amount claimed, \$50; amount allowed, \$50.

The above claims have been submitted to the general counsel of the Treasury, who has rendered opinions to the effect that they fall within the purview of the act of December 28, 1922.

In view of the facts above stated, the foregoing claims in the amount of \$312.30 are certified for submission to Congress as legal claims against the United States, which have been considered, ascertained, adjusted, and determined by me, under, and by virtue of, the act of December 28, 1922, above-mentioned.

Very truly yours,

JOHN W. SNYDER,
Secretary of the Treasury:

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SCHEDULE OF JUDGMENTS, TREASURY DEPARTMENT

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SCHEDULE OF JUDGMENTS RENDERED BY THE COURT OF CLAIMS
WHICH HAS BEEN SUBMITTED BY THE TREASURY DEPARTMENT
AND REQUIRES AN APPROPRIATION FOR PAYMENT, AMOUNTING
TO \$70,738.47

JULY 25, 1946.—Referred to the Committee on Appropriations and ordered to be
printed

THE WHITE HOUSE,
Washington, July 24, 1946:

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress, in compliance with the provisions of the act of September 30, 1890 (31 U. S. C. 226), and the act of April 27, 1904 (31 U. S. C. 583, par. 2), a schedule of judgments rendered by the Court of Claims, which has been submitted by the Treasury Department, and requires an appropriation for payment, amounting to \$70,738.47.

The necessity for the appropriation asked is explained in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 23, 1946.

THE PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration, in compliance with the provisions of the act of September 30, 1890 (31 U. S. C. 226), and the act of April 27, 1904 (31 U. S. C. 583, par.

2), a schedule of judgments rendered by the Court of Claims, which has been submitted by the Treasury Department with the request for an appropriation for their payment, as follows:

Under—	
Federal Works Agency-----	\$49,000. 00
National Housing Agency: Federal Public Housing Authority--	8,829. 05
Treasury Department-----	12,909. 42
Total-----	70,738. 47

For the payment of these judgments there is required an appropriation of \$70,738.47, together with such amount as may be necessary to pay interest, provided that none of the judgments shall be paid until the right of appeal has expired.

Since the foregoing is an obligation of the Government, lawfully imposed, and which (subject to the reserved right of appeal) must be paid, an appropriation for that purpose is necessary at this time.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington 25, D. C., July 22, 1946.

Judgments, Court of Claims.

The DIRECTOR, BUREAU OF THE BUDGET.

SIR: There is enclosed for submission to Congress in compliance with the provisions contained in the act of September 30, 1890 (31 U. S. C. 226), and the act of April 27, 1904 (31 U. S. C. 583, par. 2), a list of judgments rendered by the Court of Claims, which have been presented to this Department as follows:

Under—	
Independent Offices:	
Federal Public Housing Administration-----	\$8,829. 05
Federal Works Agency-----	49,000. 00
Executive Departments: Treasury-----	12,909. 42
Total-----	70,738. 47

For the payment of these judgments there is required an appropriation of \$70,738.47, provided that none of the judgments shall be paid until the right of appeal has expired.

Very truly yours,

GEO. H. JONES,
Acting Budget Officer, Treasury.

SCHEDULE OF JUDGMENTS, TREASURY DEPARTMENT

3

Number		Amount	Date of judgment	When pre-sented for payment	When payable if not appealed	Nature of claim
	INDEPENDENT OFFICES					
	FEDERAL PUBLIC HOUSING AUTHORITY					
45187	Continental Illinois National Bank & Trust Co., as executor of the estate of Alfred N. Severin, deceased, and as such authorized liquidator of the business of Nils P. Severin and Alfred N. Severin, both deceased, formerly co-partners doing business under the style of N. P. Severin Co.	\$8,829.05	June 3, 1946	June 6, 1946	Sept. 3, 1946	Increased costs due to delay in construction of post office and customhouse, Minneapolis, Minn.
46096	Christopher & Co., Inc.	49,000.00	May 6, 1946	July 8, 1946	Aug. 6, 1946	Unpaid portion of sewer construction, project VA 44-240, Fairfax County, Va.
	Total, independent offices	57,829.05				
	EXECUTIVE DEPARTMENTS					
	TREASURY					
46488	Charles R. Murrell	2,320.33	June 3, 1946	July 8, 1946	Sept. 3, 1946	Overtime compensation as customs inspector.
46489	Frank L. Stroud	2,338.39	June 3, 1946	June 21, 1946	Sept. 3, 1946	Do.
46495	Charles F. Wolf	2,412.51	June 3, 1946	June 21, 1946	Sept. 3, 1946	Do.
46497	Stewart A. Sharrow	1,750.36	June 3, 1946	June 21, 1946	Sept. 3, 1946	Do.
46757	Edward J. Seguin	1,663.11	June 3, 1946	June 21, 1946	Sept. 3, 1946	Do.
46826	Herbert P. Brown	2,424.72	June 3, 1946	June 24, 1946	Sept. 3, 1946	Do.
	Total, Treasury	12,909.42				
	Total, executive departments	12,909.42				

O

ESTIMATE OF APPROPRIATION FOR THE PUBLIC ROADS
ADMINISTRATION TO PAY DAMAGE CLAIMS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

ESTIMATE OF APPROPRIATION SUBMITTED BY THE PUBLIC ROADS
ADMINISTRATION TO PAY CLAIMS FOR DAMAGE TO ROADS AND
HIGHWAYS OF STATES OR THEIR SUBDIVISIONS, IN THE SUM OF
\$21,012.64

JULY 25, 1946.—Referred to the Committee on Appropriations, and ordered to be
printed

THE WHITE HOUSE,
Washington, July 24, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress an estimate of appropriation submitted by the Public Roads Administration to pay claims for damage to roads and highways of States or their subdivisions, in the sum of \$21,012.64. These claims have been considered and adjusted under the provisions of the act of November 19, 1941, as amended (23 U. S. C. 110), and require an appropriation for payment.

The necessity for the appropriation asked is explained in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 23, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration an estimate of appropriation submitted by the Public Roads Admin-

istration to pay claims for damage to roads and highways by the Army, Navy, or any other agency of the Government, which have been considered and adjusted under the provisions of the act of November 19, 1941, as amended (23 U. S. C. 110), and require an appropriation for payment as follows:

DAMAGE CLAIMS

For the payment of claims for damage to roads and highways under the Defense Highway Act of 1941, as amended (23 U. S. C. 110), as follows: "The Commissioner of Public Roads is authorized to reimburse the several States for the necessary rehabilitation or repair of roads and highways of States or their subdivisions substantially damaged by the Army or the Navy, or both, by any other agency of the Government, and so forth," as fully set forth in House Document Numbered —, Seventy-ninth Congress----- \$21, 012. 64

The letters of the Public Roads Administration submitting this estimate are transmitted herewith.

In accordance with the provisions of the act providing for these submissions, I recommend that this estimate be transmitted to Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

PUBLIC ROADS ADMINISTRATION,
FEDERAL WORKS AGENCY,
Washington 25, July 10, 1946.

HON. PAUL H. APPLEBY,
Acting Director, Bureau of the Budget,
Washington, D. C.

MY DEAR MR. APPLEBY: Pursuant to the provisions of section 10 of the Defense Highway Act of 1941, approved November 19, 1941 (55 Stat. 765), as amended by section 6 of Public Law 146, Seventy-eighth Congress, approved July 13, 1943, there is set forth below a brief statement of the claim of the North Carolina State Highway and Public Works Commission for reimbursement of the cost of necessary repairs to 2.8 miles of State Route No. 49 and 2.7 miles of Old Steele Creek Road in Mecklenburg County, N. C., substantially damaged by the contract hauling of heavy materials used in the construction of the naval ammunition depot, Charlotte, N. C.

I have considered, ascertained, adjusted, and determined said claim accruing subsequent to May 27, 1941, and presented to the Public Roads Administration within the period specified in said act of Congress as follows:

1. Contract hauling of heavy materials occurred in the area covered by the claim between June 17, 1942, and February 7, 1943.
2. Investigations by engineers of the Public Roads Administration disclose substantial damage to 2.8 miles of State Route No. 49 and 2.7 miles of Old Steele Creek Road in Mecklenburg County, N. C., by reason of this hauling.
3. The roads were repaired and a claim submitted by the North Carolina State Highway and Public Works Commission in the amount of \$6,708.61.
4. Amount claimed by the North Carolina State Highway and Public Works Commission, \$6,708.61; amount recommended, \$6,708.61.

I hereby certify that the amount due claimant as herein set forth is based on information of record obtained by engineers of the Public Roads Administration after an investigation of the damages claimed.

Very truly yours,

THOS. H. MACDONALD,
Commissioner of Public Roads.

PUBLIC ROADS ADMINISTRATION,
FEDERAL WORKS AGENCY,
Washington 25, July 1, 1946.

HON. PAUL H. APPLEBY,
Acting Director, Bureau of the Budget,
Washington, D. C.

MY DEAR MR. APPLEBY: Pursuant to the provisions of section 10 of the Defense Highway Act of 1941, approved November 19, 1941 (55 Stat. 765), as amended by section 6 of Public Law 146, Seventy-eighth Congress, approved July 13, 1943, there is set forth below a brief statement of the claim of Humboldt County, Calif., submitted by the California Department of Public Works, Division of Highways, for reimbursement of the cost of necessary repairs to county roads Nos. 502 and 505 within said county substantially damaged by the contract hauling of heavy materials used in the construction of the Eureka naval section base and lighter-than-air and seaplane base.

I have considered, ascertained, adjusted, and determined said claim accruing subsequent to May 27, 1941, and presented to the Public Roads Administration within the period specified in said act of Congress as follows:

1. Contract hauling of heavy materials occurred in the area covered by the claim between June 10, 1941, and July 10, 1943.
2. Investigations by the engineers of the Public Roads Administration disclose substantial damage to Humboldt County, Calif., roads Nos. 502 and 505 by reason of this hauling.
3. The roads were repaired and a claim submitted by Humboldt County, Calif., in the amount of \$14,921.85. Of this amount \$3,168.02 was for items considered ineligible for reimbursement.
4. Amount claimed by Humboldt County, Calif., \$14,921.85; amount recommended, \$11,753.83.

I certify that the amount due claimant as herein set forth is based on information of record obtained by engineers of the Public Roads Administration after an investigation of the damages claimed.

Very truly yours,

THOS. H. MACDONALD,
Commissioner of Public Roads.

PUBLIC ROADS ADMINISTRATION,
FEDERAL WORKS AGENCY,
Washington 25, June 18, 1946.

HON. HAROLD D. SMITH,
Director, Bureau of the Budget, Washington, D. C.

MY DEAR MR. SMITH: Pursuant to the provisions of section 10 of the Defense Highway Act of 1941, approved November 19, 1941 (55 Stat. 765), as amended by section 6 of Public Law 146, Seventy-

eighth Congress, approved July 13, 1943, there is set forth below a brief statement of the claim of Santa Barbara County, Calif., submitted by the California Department of Public Works, Division of Highways, for the reimbursement of the cost of necessary repairs to 30.75 miles of county roads within said county substantially damaged by Army maneuvers out of Camp Cooke, Calif.

I have considered, ascertained, adjusted, and determined said claim accruing subsequent to May 27, 1941, and presented to the Public Roads Administration within the period specified in said act of Congress as follows:

1. Military maneuvers began in the area covered by this claim on January 1, 1944, and continued until February 7, 1944.

2. Investigations by the engineers of the Public Roads Administration disclose substantial damage to 30.75 miles of Santa Barbara, Calif., county roads by reason of these military maneuvers.

3. The roads were repaired and a claim submitted by Santa Barbara County, Calif., in the amount of \$2,760.84. Of this amount \$210.64 was for items considered ineligible for reimbursement.

4. Amount claimed by Santa Barbara County, Calif., \$2,760.84; amount recommended \$2,550.20.

I hereby certify that the amount due claimant as herein set forth is based on information of record obtained by engineers of the Public Roads Administration after an investigation of the damages claimed.

Very truly yours,

C. D. CURTISS,
Acting Commissioner of Public Roads.

○

SCHEDULE OF CLAIMS ALLOWED BY THE GENERAL
ACCOUNTING OFFICE

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

ESTIMATES OF APPROPRIATION AMOUNTING TO \$506,223.53, TO
COVER CLAIMS ALLOWED BY THE GENERAL ACCOUNTING
OFFICE AND FOR THE SERVICES OF THE SEVERAL DEPARTMENTS
AND INDEPENDENT OFFICES

JULY 25, 1946.—Referred to the Committee on Appropriations and ordered to be
printed

THE WHITE HOUSE,
Washington, July 24, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress, in compliance with section 2 of the act of July 7, 1884 (5 U. S. C. 266), estimates of appropriation amounting to \$506,223.53, to cover claims allowed by the General Accounting Office and for the services of the several departments and independent offices.

The necessity for the appropriations asked is explained in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 23, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration, in compliance with section 2 of the act of July 7, 1884 (5 U. S. C.

266), a schedule of claims amounting to \$506,223.53, allowed by the General Accounting Office, as covered by certificates of settlement under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874 (31 U. S. C. 713), and for the services of the following departments and independent offices:

Executive Office of the President:	
Office for Emergency Management.....	\$205, 836. 96
Office of Scientific Research and Development.....	546. 65
Independent offices:	
National Advisory Committee for Aeronautics.....	33, 808. 80
Veterans' Administration.....	8, 666. 32
Federal Security Agency: Public Health Service.....	1, 060. 50
Federal Works Agency:	
Public Buildings Administration.....	15, 922. 87
Work Projects Administration.....	3, 720. 00
National Housing Agency: Federal Public Housing Authority.....	15, 381. 83
Department of Commerce.....	549. 58
Department of the Interior: Civil.....	565. 11
Navy Department.....	172, 742. 10
Post Office Department (payable from postal revenues).....	1, 728. 43
War Department.....	45, 694. 38
Total.....	506, 223. 53

The appropriations necessary for payment of these claims are required in order to meet outstanding obligations of the Government heretofore authorized by Congress, the balances of appropriations concerned having been carried to the surplus fund prior to the allowance of the claims by the proper accounting officers, together with such additional sums, due to possible increases in rates of exchange, as may be necessary to pay certain claims in foreign currency and interest as specified in certain of the certificates of settlement of the General Accounting Office.

The letter of the Treasury Department and a copy of the schedule of claims allowed by the General Accounting Office are attached.

The claims are debts of the Government, the validity of which has been approved by the General Accounting Office, and new appropriations are, therefore, necessary at this time.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

TREASURY DEPARTMENT,
Washington.

THE DIRECTOR, BUREAU OF THE BUDGET.

SIR: There is transmitted herewith in compliance with section 2 of the act of July 7, 1884 (5 U. S. C. 266), a schedule of claims allowed by the General Accounting Office, as covered by certificates of settlement which have been submitted to the Treasury Department, the numbers of which are shown in the first column of the schedule, under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874 (31 U. S. C. 713), covering the services of the following departments and independent offices:

Executive.....	\$206, 383. 61
Independent offices:	
Federal Security Agency: Public Health Service..	\$1, 060. 50
Federal Works Agency:	
Public Buildings Administration.....	15, 922. 87
Work Projects Administration.....	3, 720. 00
National Housing Agency: Federal Public Housing Authority.....	15, 381. 83
Veterans' Administration.....	8, 666. 32
National Advisory Committee for Aeronautics....	33, 808. 80
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	78, 560. 32
Department of Commerce.....	549. 58
Department of the Interior: Civil.....	565. 11
Navy Department.....	172, 742. 10
Post Office Department (payable from postal revenues).....	1, 728. 43
War Department.....	45, 694. 38
	<hr/>
Total.....	506, 223. 53

For the payment of these claims there is required an appropriation of \$506,223.53, together with such additional sum, due to possible increases in rates of exchange, as may be necessary to pay claims in the foreign currency and interest as specified in certain of the certificates of settlement of the General Accounting Office.

Very truly yours,

GEO. H. JONES,
Acting Budget Officer, Treasury.

Statement of appropriations required to meet the payment of claims allowed by the General Accounting Office, as covered by certificates of settlement submitted to the Treasury Department for payment

EXECUTIVE

Certificate No.	Name of claimant	Appropriation from which payable	Amount	Total
1353535	The Pennsylvania State College	Salaries and expenses, Office for Emergency Management (certified claims).		\$1, 475. 00
1345504	Boy Scouts of America	do.....		3, 923. 20
1349149	National City Bank of New York, as assignee of Federal Telephone & Radio Corp.	do.....		200, 438. 76
1321690	Transparent Package Co.....	Salaries and expenses, Office of Scientific Research and Development (certified claims).		546. 65

RECAPITULATION

Executive establishment:	
Salaries and expenses, Office for Emergency Management (certified claims).....	\$205, 836. 96
Salaries and expenses, Office of Scientific Research and Development (certified claims).....	546. 65
Total, executive establishment.....	<hr/> 206, 383. 61

INDEPENDENT OFFICES

Certificate No.	Name of claimant	Appropriation from which payable	Amount	Total
	NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS			
1339211	The Central Savings Bank & Trust Co., as assignee of the Hathaway Instrument Co.	Advisory Committee for Aeronautics (certified claims).		\$11, 158. 80
1354371	Toledo Scale Co.....	do.....		22, 650. 00
	VETERANS' ADMINISTRATION			
1359681	Central Islip State Hospital.....	Salaries and expenses, Veterans' Administration (certified claims).		7, 510. 00
1343806	Abacromb, Inc.....	do.....		1, 156. 32

Statement of appropriations required to meet the payment of claims allowed by the General Accounting Office, as covered by certificates of settlement submitted to the Treasury Department for payment—Continued

INDEPENDENT OFFICES—Continued

Certificate No.	Name of claimant	Appropriation from which payable	Amount	Total
	FEDERAL SECURITY AGENCY			
1338397	Albert N. Sarwold.....	Pay, etc., commissioned officers, Public Health Service (certified claims).	-----	\$1,060.50
	FEDERAL WORKS AGENCY			
1360446	West India Oil Co. (Puerto Rico)	Emergency relief, Work Projects Administration, Federal Works Agency (certified claims).	-----	2,290.00
1360477	The Shell Co. (Puerto Rico) Ltd.	do.....	-----	1,430.00
1356008	Braddock Light & Power Co., Inc.	Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area, Public Buildings Administration (certified claims).	-----	15,922.87
	NATIONAL HOUSING AGENCY			
1353157	First National Bank in Houston, as assignee of Houston Ready-Cut House Co. and Liberty Builders, Inc.	Emergency fund for the President, defense housing, temporary shelter (allotment to National Housing Agency, Federal Public Housing Authority) (certified claims).	-----	15,381.83

RECAPITULATION

Independent offices:		
Advisory Committee for Aeronautics (certified claims).....		\$33,808.80
Veterans' Administration: Salaries and expenses, Veterans' Administration (certified claims).....		8,666.32
Federal Security Agency: Pay, etc., commissioned officers, Public Health Service (certified claims).....		1,060.50
Federal Works Agency:		
Emergency relief, Work Projects Administration, Federal Works Agency (certified claims).....		3,720.00
Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area, Public Buildings Administration (certified claims).....		15,922.87
National Housing Agency: Emergency fund for the President, defense housing, temporary shelter (allotment to National Housing Agency, Federal Public Housing Authority) (certified claims).....		15,381.83
Total, independent offices.....		78,560.32

COMMERCE

Certificate No.	Name of claimant	Appropriation from which payable	Amount	Total
1354882	Southwestern Bell Telephone Co.	Maintenance of air-navigation facilities, Office of Administrator of Civil Aeronautics (certified claims).	-----	\$549.58

INTERIOR (CIVIL)

1322264	Permanent Construction Co....	Production of alumina from low-grade bauxite and alunite, Bureau of Mines (national defense) (certified claims).	-----	\$565.11
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NAVY

T-295123	Southern Pacific Co.....	Maintenance, Bureau of Supplies and Accounts (certified claims).	-----	\$671.07
1352505	The Yale & Towne Manufacturing Co.	do.....	-----	1,629.10
T-293163	Texas Mexican Ry. Co.....	do.....	-----	560.57
T-296028	Atchison, Topeka & Santa Fe Ry. Co.	do.....	-----	8,515.45
T-297101	Long Island R. R. Co.....	do.....	-----	619.87

Statement of appropriations required to meet the payment of claims allowed by the General Accounting Office, as covered by certificates of settlement submitted to the Treasury Department for payment—Continued

NAVY—Continued

Certificate No.	Name of claimant	Appropriation from which payable	Amount	Total
1332985	Bendix Aviation Corp.....	Aviation, Navy (certified claims)		\$662. 09
1346176	E. W. Ferry Screw Products, Inc.	do.....		545. 25
1344440	Wright Aeronautical Corp.....	do.....		717. 70
1338812	Bell Aircraft Corp.....	do.....		575. 70
1348898	Rockford Machine Tool Co.....	do.....		3, 653. 38
1348609	Philco Corp.....	do.....	\$45, 229. 49	
1348609	Treasurer, United States, for credit to "1751502 aviation, Navy, 1945."	do.....	9, 405. 20	54, 634. 69
1308861	Paul A. Rebola, major, USMCR.....	Pay, Marine Corps (certified claims)		582. 70
1300754	John T. Symons, as father of Richard Louis Symons, deceased.....	do.....	434. 43	
1300754	Florence M. Symons, as mother of Richard Louis Symons, deceased.....	do.....	434. 43	868. 86
1362147	Robert O. White, major, USMC, O7992.....	do.....		1, 112. 06
1310980	Muhlenberg College.....	Naval Reserve (certified claims)		545. 00
1341770	Bell & Howell Co.....	Fleet training, Navy (certified claims)		11, 136. 60
1359363	Clerk, Board of County Commissioners.....	Instruction, Navy (certified claims)		1, 500. 00
1355243	Seas Shipping Co., Inc., as agents for War Shipping Administration.....	Fuel and transportation, Navy (certified claims)		1, 256. 10
1306789	James G. Biddle Co.....	General expenses, Coast Guard (certified claims)		831. 54
1329693	Clara E. Clement, as executrix of will of William D. Clement, deceased.....	Ordnance and ordnance stores, Navy (certified claims)		699. 49
1335974	Sperry Gyroscope Co., Inc.....	do.....		7, 138. 20
1339173	American Optical Co.....	do.....		3, 936. 27
1339454	The Metal Specialty Co.....	do.....		35, 000. 00
1341879	Sperry Gyroscope Co., Inc.....	do.....		648. 27
1345423	National Forge & Ordnance Co.....	do.....		9, 194. 90
1352540	The Electric Materials Co.....	do.....		2, 784. 16
1350563	Pacific Gear & Tool Works.....	do.....		1, 081. 00
245099	Treasurer, United States, for adjustment of appropriations.....	do.....		1, 496. 00
1348775	York Corp.....	General expenses, Marine Corps (certified claims)		11, 506. 00
T-297123	Atchison, Topeka & Santa Fe Ry. Co.....	do.....		1, 060. 40
T-297977	Western Pacific R. R. Co.....	do.....		928. 65
1287068	Donald Briscoe Blakely.....	Pay, subsistence, and transportation, Navy (certified claims)		512. 26
1354766	Paz Dioleta Escobedo, as widow and designated beneficiary of Eulalio Escobedo, deceased.....	do.....		529. 80
1354983	Mrs. G. W. Jacobs (Eva Goshert), as sister and designated beneficiary of Vivan Louis Young, deceased.....	do.....		790. 80
1356599	Lura Kline, as mother of Robert Edwin Kline, deceased.....	do.....		621. 60
1357439	Arthur James Dace, father and undesignated beneficiary of Stanley Paul Dace, deceased.....	do.....	675. 00	
1357439	Emma Dace, mother and undesignated beneficiary of Stanley Paul Dace, deceased.....	do.....	675. 00	
1357627	Doris G. Wilson, as widow and designated beneficiary of Leonard Ferdnay Smith, deceased.....	do.....		1, 350. 00
1347226	Arsenia F. Realin, widow of Mariano Realin, deceased.....	Pay, subsistence, and transportation, Navy (certified claims)		740. 40
1347976	Henry D. Stailey.....	do.....	578. 42	
1347976	Treasurer, United States. For credit to "175520 repayments, lapsed appropriations."	do.....	172. 95	751. 37
1330497	Pontenciano Lomibao, as father and beneficiary of Merciano Lomibao, deceased.....	do.....		790. 80

Statement of appropriations required to meet the payment of claims allowed by the General Accounting Office, as covered by certificates of settlement submitted to the Treasury Department for payment—Continued

NAVY—Continued

RECAPITULATION

Naval Establishment:

Naval Reserve (certified claims).....	\$545.00
Fleet training, Navy (certified claims).....	11,136.60
Instruction, Navy (certified claims).....	1,500.00
Ordnance and ordnance stores, Navy (certified claims).....	61,978.29
Pay, subsistence, and transportation, Navy (certified claims).....	6,651.03
Maintenance, Bureau of Supplies and Accounts (certified claims).....	11,966.06
Fuel and transportation, Navy (certified claims).....	1,256.10
General expenses, Coast Guard (certified claims).....	831.54
Aviation, Navy (certified claims).....	60,788.81
Pay, Marine Corps (certified claims).....	2,563.62
General expenses, Marine Corps (certified claims).....	13,495.05

Total, Navy Department..... 172,742.10

Name of claimant	Appropriation from which payable	Amount
Mary Szap.....	City delivery carriers.....	\$21.17
Susie Grace Azpell, executrix.....	Clerks, first- and second-class post offices.....	141.62
Maude Martin Cuthrel.....	do.....	11.29
W. H. Hays.....	Compensation to postmasters.....	21.12
Mabel Schinkel.....	Contract station service.....	6.45
Federal Equipment Co.....	Post office stationery, equipment, and supplies.....	71.44
George Fensky Co.....	Post-office stationery, equipment, and supplies.....	63.36
Lena Regis, administratrix.....	Rent, light, fuel, and water.....	525.61
Antonio Regis and Phyllis Regis.....	do.....	664.39
Raymond J. Barth.....	Special-delivery fees.....	7.78
Archie Montgomery Hawthorne.....	Star-route service.....	32.36
Anthony P. Salerno.....	Special-delivery fees.....	48.32
James Lear.....	Star-route service.....	16.86
Albert B. Cole, Jr.....	Vehicle service.....	46.66

RECAPITULATION OF CERTIFIED CLAIMS UNDER POST OFFICE DEPARTMENT

Postal Service:

City delivery carriers.....	\$21.17
Clerks, first- and second-class post offices.....	152.91
Compensation to postmasters.....	21.12
Contract station service.....	6.45
Post office stationery, equipment, and supplies.....	134.80
Rent, light, fuel, and water.....	1,190.00
Special delivery fees.....	56.10
Star route service.....	99.22
Vehicle service.....	46.66

Total, Post Office Department (postal service) (certified claims) payable from postal revenues..... 1,728.43

WAR

Certificate No.	Name of claimant	Appropriation from which payable	Amount	Total
247563	Treasurer, United States, for adjustment of appropriations	Air Corps, Army (certified claims).....		\$44,345.87
T-297017	Northern Pacific Ry. Co.....	Working fund, War, Ordnance (certified claims).....		1,348.51

RECAPITULATION

Military activities:

Air Corps, Army (certified claims).....	\$44,345.87
Working fund, War, Ordnance (certified claims).....	1,348.51

Total, War Department (military activities)..... 45,694.38

Statement of appropriations required to meet the payment of claims allowed by the General Accounting Office, as covered by certificates of settlement submitted to the Treasury Department for payment—Continued

SUMMARY OF CLAIMS

Executive.....	\$206,383.61
Independent offices:	
Federal Security Agency: Public Health Service.....	\$1,060.50
Federal Works Agency:	
Public Buildings Administration.....	15,922.87
Work Projects Administration.....	3,720.00
National Housing Agency: Federal Public Housing Authority.....	15,381.83
Veterans' Administration.....	8,666.32
National Advisory Committee for Aeronautics.....	33,808.80
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	78,560.32
Department of Commerce.....	549.58
Department of the Interior: Civil.....	565.11
Navy Department.....	172,742.10
Post Office Department (payable from postal revenues).....	1,728.43
War Department.....	45,694.38
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Total.....	506,233.53

C

DRAFTS OF PROPOSED PROVISIONS PERTAINING TO
EXISTING APPROPRIATIONS FOR THE MILITARY ES-
TABLISHMENT

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

DRAFTS OF PROPOSED PROVISIONS PERTAINING TO EXISTING
APPROPRIATIONS FOR THE FISCAL YEAR 1947 OF THE MILITARY
ESTABLISHMENT OF THE WAR DEPARTMENT

JULY 26, 1946.—Referred to the Committee on Appropriations, and ordered to
be printed

THE WHITE HOUSE,
Washington, July 25, 1946.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress drafts of proposed provisions pertaining to existing appropriations for the fiscal year 1947 of the Military Establishment of the War Department.

The details of these proposed provisions, the necessity therefor, and the reasons for their transmission at this time are set forth in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 25, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration drafts of proposed provisions pertaining to appropriations for the fiscal year 1947 of the Military Establishment of the War Department, as follows:

WAR DEPARTMENT

MILITARY ACTIVITIES

GENERAL PROVISIONS

Any or all of the appropriations of the Military Establishment for the fiscal year 1947 shall be available, in a total amount of not to exceed \$19,750,000, for all expenses necessary to enable the President through the War Department to carry out the provisions of the Republic of the Philippines Military Assistance Act.

Under the provisions of Public Law 454, "An act to provide military assistance to the Republic of the Philippines," approved June 26, 1946, military assistance to the Philippine Republic is authorized from materials surplus to the needs of the United States Government or by furnishing the materials and services for which specific appropriations have been made by the Congress.

Negotiations have been in progress between representatives of the War Department and of the Philippine Government. In view of the present situation in the Philippines, it is contemplated that a regular army of 37,000 will be maintained throughout the fiscal year 1947. In addition, the program of the Philippine Government for this year includes the training of 12,000 men under universal military training for 6 months, beginning January 1, 1947, and the training of 18,000 ROTC cadets for 1 month in the spring of 1947.

The War Department advises that it can furnish the Philippine Government with sufficient supplies of purely military items from surplus stocks. It has been found, however, that the most pressing need of the Philippine Army is the provision by the United States of food, clothing, fuels and lubricants, training ammunition, and training aids. The internal economy of the Philippine Islands will not permit the local production or procurement of these items nor are there any stocks of such items on hand which are surplus to the needs of our armed forces. In order to supply these items to the Philippine Government, it is necessary that appropriations be made specifically available for such purposes.

* * * * *

The foregoing drafts of proposed provisions are to meet contingencies which have arisen since the transmission of the Budget for the fiscal year 1947. I recommend that they be transmitted to the Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
THE TREASURY DEPARTMENT

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE FISCAL
YEAR 1947, IN THE AMOUNT OF \$250,000,000, FOR THE TREASURY
DEPARTMENT

JULY 26, 1946.—Referred to the Committee on Appropriations and ordered to be
printed

THE WHITE HOUSE
Washington, July 26, 1946.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the fiscal year 1947, in the amount of \$250,000,000, for the Treasury Department.

The details of the estimate, the necessity therefor, and the reasons for its submission at this time are set forth in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 26, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the fiscal year 1947, in the amount of \$250,000,000, for the Treasury Department, as follows:

TREASURY DEPARTMENT,

STRATEGIC AND CRITICAL MATERIALS (ACT JULY 23, 1946)

For all expenses necessary for the procurement, transportation, maintenance, rotation, storage, and refining or processing of strategic and critical materials for national defense purposes, as authorized by the Strategic and Critical Materials Stockpiling Act (Public Law 520, 79th Congress), including personal services and rental and maintenance of storage space in the District of Columbia and elsewhere, \$250,000,000: *Provided*, That any funds received as proceeds from sale or other disposition of materials on account of rotation of stocks of strategic and critical materials shall be deposited to the credit, and be available for expenditure for the purposes, of this appropriation..... \$250, 000, 000

These funds are requested for the purpose of carrying into effect the Strategic and Critical Materials Stockpiling Act, approved July 23, 1946, by providing an initial increment of strategic and critical materials which are necessary to supply the industrial, military, and naval needs of the country for common defense. The Army and Navy Munitions Board has determined the materials and quantities of each which should be procured during the current fiscal year.

‡ The foregoing supplemental estimate is made necessary by reason of new legislation enacted subsequent to the transmission of the Budget for the fiscal year 1947. I recommend that it be transmitted to the Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

○

July 26

1.8.17. 390

FIRST SUPPLEMENTAL APPROPRIATION BILL, 1947

HEARINGS

BEFORE THE

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES

SEVENTY-NINTH CONGRESS
SECOND SESSION

ON THE

FIRST SUPPLEMENTAL APPROPRIATION BILL, 1947

Printed for the use of the Committee on Appropriations



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FIRST SUPPLEMENTAL APPROPRIATION BILL, 1947

HEARINGS CONDUCTED BY THE SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, IN CHARGE OF DEFICIENCY APPROPRIATIONS, MESSRS. CLARENCE CANNON (CHAIRMAN), LOUIS LUDLOW, EMMET O'NEAL, LOUIS C. RABAUT, JED JOHNSON, JOHN H. KERR, JOHN TABER, RICHARD B. WIGGLESWORTH, EVERETT M. DIRKSEN; ON THE DAYS FOLLOWING, NAMELY:

FRIDAY, JULY 26, 1946.

OFFICE OF PRICE ADMINISTRATION

STATEMENTS OF PAUL A. PORTER, ADMINISTRATOR; JAMES G. ROGERS, Jr., DEPUTY ADMINISTRATOR; IVAN D. CARSON, DEPUTY ADMINISTRATOR FOR RENT; GEORGE MONCHARSH, DEPUTY ADMINISTRATOR FOR ENFORCEMENT; RICHARD B. HEFLEBOWER, ECONOMIC ADVISER TO THE DEPUTY ADMINISTRATOR FOR PRICE; RODERICK M. GILLES, EXECUTIVE OFFICER FOR PRICE; FRANK S. KETCHAM, ASSISTANT TO THE GENERAL COUNSEL; LELAND BARROWS, DIRECTOR OF BUDGET AND PLANNING; AND H. V. LIEWELLYN, BUDGET OFFICER

SUPPLEMENTAL ESTIMATE 1947

Mr. CANNON. Mr. Porter, your original estimate was \$142,200,000. In the House bill we allowed you \$106,650,000. The Senate cut you to \$56,650,000 and finally in conference we agreed on a compromise of \$75,000,000. I see your supplemental estimate here calls for \$26,000,000 indicated as essential for operations through February 15, in accordance with the original budget, modified by 3 factors which have developed since the original budget was promulgated.

First, the added cost of the Employees Pay Act, which is a pay-as-you-go proposition and the agency, unlike regular establishments, will not have funds for the last half of the fiscal year to draw upon until a supplemental appropriation for pay increase could be provided.

Second, savings resulting from delay in extension of the Price Control Act and reduction of the information activity.

And third, additional administrative costs arising out of amendments to the Price Control Act.

RESTUDY OF 1947 BUDGET REQUIREMENTS

First, let me ask you, Mr. Porter, have you any thought of discontinuing the restudy of your 1947 budget provided for in the last appropriation bill?

Mr. PORTER. We have reviewed it, Mr. Chairman, since the final action of the Congress and have found methods of making certain savings, but not to the extent that we feel would permit us to function as effectively and as efficiently as we should between now and the time we assume that Congress will reconvene. What we are really asking for is not additional authorization, but working capital. We feel that the action of the House and of this committee was entirely appropriate and very satisfactory; that we could spend at the rate of our original request and then return some time when Congress reconvened, for a supplemental. But the final action, in cutting the funds down to \$75,000,000 on the basis of our projected operations would mean that we would be insolvent by the 15th of December, unless we seriously curtailed a number of the important programs which Congress under the bill that the President approved yesterday has given to us.

We would have the choice, if this appropriation continues, between neglecting certain types of enforcement actions or board activities, or trying to consolidate and reduce our activities in the price department and we are convinced that if any one of those activities is eliminated, the program will suffer materially.

Certainly under the standards of this new bill, I am sure it is the intent of Congress and this committee that we give to the industries that are subject to our regulations prompt action. We would not be able to do that; there would be delays, if we do not have the personnel and the funds with which to work.

As to the question of the review of the budget I think perhaps, as you can understand, I have been occupied with the question of our substantive legislation. Mr. Rogers has reviewed the budget in great detail and advises me that there are certain areas where reductions have been or can be made.

Do you want to describe those, Mr. Rogers?

PROPOSED REDUCTIONS AND SAVINGS

Mr. ROGERS. First of all, under the terms of the new Price Control Act price controls on petroleum and tobacco are removed, which makes a small saving.

Second, Mr. Porter referred to the saving in that we did not make additions to the staff during July as had been originally planned and as was included in the original appropriation request.

Third, there was a limitation on information.

Fourth, we went through a rather careful review of all our boards, which represents a fairly sizable expenditure, to see if cuts could be made there. We find, we think, a small cut can be made there with the elimination of certain small boards which we feel are the least efficient of our boards.

Another saving is the saving on other objects—expense resulting from the personnel changes.

Mr. CANNON. Under present conditions, then, taking into consideration these subsequent developments, do you think \$26,000,000 is the minimum amount that would be required for you to handle the work under the law as it has been rewritten, up to February 15?

Mr. PORTER. That is correct; yes, sir.

JUSTIFICATION OF ESTIMATE

Mr. CANNON. You have a justification here in the form of a letter, accompanied by supporting data. I suggest you read that letter, if you will; or read pertinent portions of it and give us a brief résumé. (The letter is as follows:)

OFFICE OF PRICE ADMINISTRATION,
Washington 25, D. C., July 25, 1946.

Mr. CLARENCE CANNON,
Chairman, House Appropriations Committee,
House of Representatives, Washington, D. C.

DEAR MR. CANNON: This letter is presented in explanation of the President's request for a supplemental appropriation of \$26,000,000 for the Office of Price Administration. I regret very much burdening your committee with a further request for funds at this time, but the circumstances with which the agency is confronted leave me no choice.

FUNDS NOW AVAILABLE

The President this week approved the Third Deficiency Appropriation Act which included \$75,000,000 for the Office of Price Administration. Except for the amount of money allowed, the appropriation was approved in substantially the form developed by your committee after our appearance before you in June. Your committee and the House of Representatives as a whole, you will recall, approved the sum of \$106,650,000, three-fourths of the amount requested for the agency for the fiscal year 1947.

The \$106,650,000 allowed originally by the House was not, as we understand the language of the appropriation act and the report of your committee, intended to finance the work of the Office of Price Administration for a full year. Since it was not known at the time the appropriation act was under consideration what form the substantive legislation of the Office of Price Administration for the fiscal year 1947 would take, and indeed was not certain that Congress would renew the Emergency Price Control Act in its entirety, the appropriation was designed to cover any of several possible eventualities from outright liquidation to substantially full operation. The Director of the Bureau of the Budget was made responsible for determining, within 30 days after the passage of the substantive legislation, the amount of money required to finance the program authorized by the legislation. The Director of the Bureau of the Budget was authorized to approve appropriations and the agency to incur obligations up to a rate not to exceed that provided by the original estimates plus the cost of the Employees Pay Act of 1946 and any cost required for liquidation.

Under the circumstances, this seemed a reasonable approach to our appropriation problem. At the rate of expenditure proposed in the agency's original estimates plus the added cost of the Employees' Pay Increase Act, the \$106,650,000 originally allowed by the House would have financed the work of the agency until approximately February 15, 1947. That seemed to provide sufficient time for the Congress to review the further requirements of the agency and to make such additional appropriations as would be required to complete the fiscal year.

Unfortunately, the Senate, although it accepted the underlying reasoning of the House version of the bill and retained the language authorizing the over-obligation of funds, cut the appropriation to \$56,650,000, a reduction of \$50,000,000, made without hearing representatives of the agency and without any indication as to the reasons for the reduction. This figure was raised to \$75,000,000 in conference.

REASON FOR IMMEDIATE ADDITIONAL APPROPRIATION

If the Congress were expected to be in session during the next several months, there would be no immediate need for the agency to request a supplemental appropriation. We could operate at the rate made necessary by the substantive legislation and approved by the Director of the Bureau of the Budget. After a reasonable period of operating experience, we could present our additional requirements to the Congress. The adjournment of Congress, however, is imminent and there is little prospect that, after adjournment, additional requirements of this agency can be considered until the new Congress convenes in January. Considering the length of time that would be required to obtain congressional ap-

proval of additional funds after the convening of a new Congress, it seems reasonable to assume that we must operate until at least February 15, 1947 on funds made available at the present session of Congress. In other words, we must either obtain additional funds now or must reduce our activity to a level which can be financed for the period between July 1 last and a time when Congress is in a position to consider a further appropriation.

To illustrate the problem this creates, I should like to indicate the period of operations we can finance on \$75,000,000 under each of three assumptions. In the first place, to operate in accordance with the original Budget estimates would require the obligation of \$75,000,000 by approximately November 15, 1946. Merely to continue the rate of employment as of June 30, 1946, will require the obligation of \$75,000,000 before the end of December 1946. To operate in accordance with the revised Budget estimate (upon which this supplemental request is based) would require the obligation of \$75,000,000 by December 15. Each of these three estimates takes into account the increased cost resulting from the Employees' Pay Act of 1946, an expense which we must bear currently.

FLEXIBILITY OF APPROPRIATION LANGUAGE NULLIFIED

It is obviously impossible to reconcile the language of the appropriation act permitting the Director of the Bureau of the Budget to authorize expenditures up to the rate of the original estimates, plus the cost of the pay increase, with the \$75,000,000. If we are held to this figure, the flexibility wisely provided in the appropriation language will be entirely nullified. Instead of being able to adapt the appropriation to the needs of the program authorized by the substantive legislation, we shall be forced to fit the program which can actually be administered to the fund limitations.

It seems to me, therefore, that even at this late date we must attempt to present to you our judgment of the workload which the new price control act will involve. In the first place, the new act is substantially as extensive in its application as was the act upon which our original estimates were based. No change has been made which will eliminate any significant amount of work. There are some changes in the legislation and some other changed circumstances which warrant changes in the detail of the Budget estimates as originally submitted. In total, these changes involve net savings, but they are not so extensive as to make the original estimates inappropriate. For purposes of illustrating our requirements, therefore, we have prepared exhibits showing the personnel employment by month originally projected for the fiscal year, the reduction or increases made necessary by changes in the act or other circumstances, and the revised projected employment. Salary costs for the proposed employment are shown both at the 1946 pay rates and at the rates now in effect.

EFFECT OF EMPLOYEES' PAY INCREASE

Before considering the principal changes in the agency's budget, I should like to call attention to the effect of the Employees' Pay Act of 1946. The pay increases which were made effective as a result of this act represent an expense which we must meet currently and for which we are authorized by our appropriation act to obligate funds above the rate provided by the Budget estimate of \$142,200,000. On the basis of the original estimate they represent an added expense of \$15,477,000.

In the normal operation of the Government-wide employment ceiling imposed as a part of the Pay Increase Act, this agency may be required to absorb some part of the total cost of salary increase. It does not appear, however, to have been the intention of Congress that we absorb all of the cost. Nevertheless, if we are required to operate until after the convening of Congress in January under an appropriation of \$75,000,000, we shall have to absorb all the pay increase for the first 6 months of the year and make program reductions in addition.

In contrast, agencies which have been given a full year's appropriation can overobligate to meet the added cost of the pay increase during the next several months without exhausting their appropriation before the new Congress convenes and has had an opportunity to consider their added requirements.

REVISIONS IN OPA BUDGET

The changes in our Budget estimate made necessary by changes in the basic legislation and other changed circumstances are outlined in detail in the attached exhibits. In summary, however, they are as follows:

Increases

Increased employment in the price activity, reaching a peak of 700 positions during the second quarter, and totaling 316.7 man-years is required by the Barkley amendment and other changes in the Price Control Act.

Savings

1. Net saving of 1,342.9 man-years in all activities made possible by the fact, that since expiration of the Price Control Act on July 1 no effort has been made to recruit in accordance with the original budget, and employees have not been replaced as fast as they have resigned, together with the fact that because of this delay in beginning recruitment, the employment peak originally planned for the enforcement activity will not now be attained.

2. A saving of 40.4 man-years, made possible by the decontrol of petroleum and tobacco, under the terms of the new act, 9 months earlier than planned in the original estimates.

3. A reduction totaling 133.7 man-years in the information activity to bring the activity within the limitation of \$1,750,000 established in the appropriation act.

4. A reduction of 211.4 man-years in price control boards, made possible by a slight reduction in the number of boards, as a part of general improvement in board administration since the original estimates were prepared.

5. Savings and increases in other objects of expense proportional to the changes in personal services.

The net effect of these changes is a reduction of 1,026.2 man-years or money savings on an annual basis of \$4,188,691.

ONLY INCREASE ATTRIBUTABLE TO NEW LEGISLATION

It should be pointed out that the only significant increase in this revised budget is directly attributable to new requirements of the Price Control Act and that the proposed budget makes only a minimum provision for the increased work load. We propose to add staff only to the price department although because of the new legislation additional work must be absorbed elsewhere in the agency, particularly in the accounting department.

WORK LOAD ADDED BY THE NEW PRICE CONTROL ACT

The price control extension act of 1946 imposes on OPA a heavy additional work load in four principal respects. First, the Wherry-Crawford and Fulbright amendments require that OPA go back and change a large number of regulations and a still larger number of individual company orders which fix wholesale and retail prices with lower margins than required by these amendments. This involves a reexamination of all those regulations and orders by the price staff and the drafting of modified regulations and orders by the legal staff.

Second, the Barkley amendment, along with the decontrol plans, bring the industry advisory committees much more directly into OPA operations than heretofore. Not only are all the expenses related to existing committee operations enlarged but many additional committees will have to be formed. Furthermore, an extensive program of industry meetings, often involving travel on the part of the OPA staff, must be carried out in order to explain such provisions as the Barkley and decontrol amendments to the advisory committees. When the committees come to apply under the Barkley amendment they will require extensive consultation with OPA's price and accounting staffs concerning their rights under the amendment and the information which they must provide with their petitions.

Third, the Barkley amendment makes it possible to reopen every price adjustment made by OPA since VJ-day and in addition raises a question about ceiling prices that have not been changed for more than a year. While we know that many industries will not seek adjustments under the provisions of this amendment, when only minor changes in price would result, nevertheless the number of adjustments we will have to handle will be very much increased. In the past, moreover, most adjustments have been industry-wide on all products, based primarily on profit and loss statements which are easily available and easily analyzed. The Barkley amendment shifts the basis of adjustment to a product-by-product analysis which requires product cost data that are difficult to obtain and analyze.

Fourth, provisions of the Price Control Act covering decontrol of commodities will necessitate the establishment of a Decontrol Division. This Division will be under the direction of a Deputy Administrator with authority to hold hearings which industry advisory committees may request. The functions of the Decontrol

Division will include information service to industry advisory committees on the procedures to be followed and data to be submitted in petitioning for decontrol action. Petitions will be received by the Division, analyzed and a brief prepared either granting or denying the petition. Assistance from existing branches and divisions will be obtained whenever required. The tight time schedule specified in the act (15 days for grant or denial of petitions) will require effective procedures and efficient administration throughout. The Division will be composed of analysts, who will process the petitions and prepare economic briefs in support of grant or denial orders, and of administrative personnel who will control the processing of actions and assure meeting of deadlines. The Division will initially be composed of 25 persons.

Admittedly, we cannot now foresee all the administrative consequences of the new legislation. We do not know what policies may be followed by the new decontrol boards, either as to the reestablishment of controls on meat and dairy products or as to future decontrol actions. Obviously any major change in the decontrol time table upon which our estimates are based might have budgetary consequences. It seems to me, however, that adequate safeguards have been provided against such possible changes. In the first place, we are not asking for funds to operate for a full year. Without major program changes, we shall certainly have to present our needs to Congress early in the next calendar year, at least for terminal leave funds and other liquidation expenses, and for funds to finance operations during the last several months of the year. In the second place, the Director of the Bureau of the Budget remains responsible under the appropriation act for reviewing our needs within 30 days after the passage of the basic legislation and for establishing an appropriate budget.

SUMMARY

In summary, we are requesting a supplemental appropriation of \$26,000,000 to permit the agency to operate until February 15, 1947, in accordance with the original Budget estimates as modified by the following factors:

1. The added cost of the Employees Pay Increase Act of 1946.
2. Savings resulting from delay in extension of the Price Control Act and reduction of the information activity.
3. Additional administrative costs arising out of amendments to the Price Control Act.

Sincerely yours,

PAUL A. PORTER, *Administrator.*

Mr. PORTER. This is a letter of July 25 addressed to the chairman, which is an explanation of the President's request for this \$26,000,000.

It is pointed out, as you will note on the first page, that the Third Deficiency Appropriation Act included the \$75,000,000, even though this committee and the House as a whole approved the sum of \$106,-650,000, which was three-fourths of the amount requested for 1947.

You will recall further that in that action, you made the requirement that the Director of the Bureau of the Budget would determine 30 days after the enactment of the substantive legislation, the amount of money required to finance the program authorized; and the Director of the Budget was authorized to approve apportionments at rates of our original request plus the cost of the Employees' Pay Act and any cost required for liquidation. As I have stated, the action of this committee and the House, we felt, was entirely reasonable and satisfactory and would give us the opportunity to perform under whatever legislation Congress enacted.

You will recall further that the Senate, as the chairman has pointed out, reduced the appropriation to \$56,000,000. I might say we sent a justification to the Senate, but did not have a hearing before the committee. The figure was then raised to \$75,000,000 in conference.

We would not be here asking for this supplemental if Congress were to remain in session, but it is my understanding that you will adjourn shortly and that we would be faced with a situation of making this

\$75,000,000 adequate for the activities of the agency until such time as Congress returned and we had the opportunity to present our problems to you.

OPERATION UNDER ORIGINAL CONGRESSIONAL APPROPRIATION FOR 1947

As is indicated in the communication here, we can operate under this \$75,000,000 under each of three assumptions: In the first place, if we operate in accordance with the original budget estimates, the obligation of \$75,000,000 would expire and would be used by approximately December 1. To continue the rate of employment as of June 30, 1946, would require the obligation of the \$75,000,000 by the end of December 1946. To operate in accordance with the revised budget estimate upon which this supplemental estimate is based, would require the obligation of the \$75,000,000 by December 15.

These calculations, as indicated in the letter, take into account the increased costs resulting from the Employees Pay Act of 1946, an expense, of course, which we must bear currently.

We feel it is impossible to reconcile the language of the appropriation act permitting the Director of the Bureau of the Budget, as written by this committee, to authorize expenditures up to the rate of the original estimates, plus any pay increase, with the amount of \$75,000,000. If we are held to this figure the flexibility that this committee in the House wisely provided, I think, in the appropriation language, becomes a nullity. Instead of being able to adapt the appropriation to the needs of the program authorized by our substantive legislation, we would be forced to fit our program to that which can actually be administered by the fund limitations.

I cannot say with any certainty as yet what the full effect of the new legislation will be on our work load. For example, under the new pricing standard as adopted by Congress there can be rather a great burden upon the agency, or a burden that is not quite so great. But I think it is fair to say that we will be required to do more pricing work during the next few months than we have heretofore.

INCREASED PAY OF EMPLOYEES

We make some comment in our justification of the effect of the employees' pay increase, but I will not dwell upon that because that speaks for itself, except that it takes \$15,447,000 on the basis of the original estimate. Mr. Rogers has summarized for you, as you will find on page 4 of our letter, some of the savings that we have been able to effectuate in reviewing the budget.

The increased employment in pricing activity which will reach a peak of 700 positions during the second quarter, totaling 316 man-years, is required by the Barkley amendment and other changes in the act. So the amount of saving that we can make on other activities is, to a certain extent, offset by the increased responsibilities placed on us by virtue of this amendment.

ADDITIONAL WORK LOAD UNDER NEW ACT

There is a description in our justification here of the additional work load under the new act. That can be summarized in this way. First, the Wherry-Crawford and the Fulbright amendments require the

OPA to go back and change a great number of regulations and still a larger number of individual company orders which fix wholesale and retail prices now at lower levels than required by these amendments. This in itself involves a reexamination of all the existing regulations and orders by the price staff in the distribution field and the drafting of modified regulations and orders.

I have referred to the Barkley amendment along with the decontrol plans, which brings our industry advisory committees into more of a functional operation than they have heretofore performed. The expenses related to existing committee operations are not only enlarged, but additional committees will have to be formed.

There is an extensive program that we will have to develop on industry meetings which often involve travel on the part of the OPA staff. They must be held to explain the new provisions of the act as well as to make effective the decontrol amendments that are in the existing statutes.

Third, the Barkley amendment makes it possible to reopen every price adjustment that has been made by OPA since VJ-day and, in addition, it raises a question about ceiling prices which have not been changed for more than a year.

We are confident that a number of industries are not going to seek adjustments under the provisions of this amendment when only minor price changes would result; but nevertheless we anticipate a fairly substantial number of adjustments, and that part of the work will be increased.

Further, with respect to the Barkley amendment, heretofore as you gentlemen know we have operated largely on the basis of an industry-wide price increase or price regulation. The Barkley amendment requires us to consider pricing on every major item of a particular industry. So we anticipate that there will be—we do not know how many, but quite a number of applications in which our regulations will have to be directed at the product rather than the over-all industry regulation.

FUNCTIONS OF DECONTROL

Then you are familiar, I am sure, with the provisions with respect to the Decontrol Board. Because of the requirement that a three-man bipartisan board review decontrol actions, that is going to require on the part of the agency a decontrol division which will have to receive petitions from the industry advisory committees that are pressing for decontrol. We will have to establish formal procedures under the act whereas in the past we acted under the internal procedures that most administrative agencies follow.

If the OPA refuses, upon the application of an industry committee, to decontrol, the committee can appeal to the Board and I would presume after that they can go to the Emergency Court of Appeals. The act specifically provides that they can go to the Emergency Court of Appeals if the Board does not act. So there is another activity where we will have to employ at least 25 new people in the national office forthwith.

As I have indicated, we cannot foresee all of the administrative consequences of the new legislation. We do not know what policies are going to be followed by the decontrol board or the Secretary of Agriculture, with respect to the enforcement of controls on meat or

dairy products or as to future decontrol actions. But any large change in the decontrol time table on which our estimates are based will obviously have budgetary consequences.

But it seems to me that there is an obligation on our part to anticipate that we will have at least for the next 6 months a resumption of many of the controls which expired on June 30. The Director of the Bureau of the Budget under the existing appropriation language remains responsible for reviewing our needs 30 days from today and of establishing an appropriate budget. We are apprehensive; whatever our needs may be, if he orders some rescission, obviously the money will not be used. If the Director of the Bureau of the Budget agrees with our preliminary estimates or any estimates that are revised, we are in the predicament, without additional funds, in which Congress will have adjourned and we will have just sufficient funds to operate until some time in December.

So that, Mr. Chairman, is the basis for our request that we have a supplemental appropriation of \$26,000,000, which would permit us to continue on the present basis of operation until February 15, which would include consideration of items, consideration of employees act increases, and so forth.

Likewise, it would include consideration of savings resulting from the reduction of information activities which I have indicated. And it takes into account items of administrative costs arising out of the amendments which the Congress has adopted.

I think that is briefly a summary of the justifications.

NUMBER AND DISTRIBUTION OF PERSONNEL

Mr. CANNON. In your tabulation of savings, prepared by Mr. Rogers, to which you have referred, you mentioned a net saving of 1,342.9 man-years, and so forth. Under your revised estimate as submitted to us today you foresee a force at the end of next June of 20,307. Just how many of those men do you expect to be separated from the service at the end of this fiscal year?

Mr. ROGERS. Mr. Chairman, I think it might be well if I gave you a little summary of the work those people would be doing and the activities they would be concerned with, from the standpoint of commodity break-down. The 20,000 would be engaged as follows:

1. In the general field of rent control and housing and related problems, including the accounting people, enforcement people, price and rent people, there would be about 12,500.

2. In other price activities, in other commodity activities, that would be left at the time, there would be about 3,800. And those would be food, mostly food and reconversion products, such as automobiles, refrigerators, and so, which have been so low in production, where the supply has been much lower than the demand.

So those two general areas would account for about 16,500 out of the 20,000, plus.

I would assume that in accordance with the legislation we would take the matter up with the President around January 1 as to what disposition should be made of any remaining activities of the Office beyond June 30, the most important of which would be the work on rent control and those other activities which are related to the over-all Government housing program. That would include pricing of build-

ing materials and other activities that are connected with the Wyatt program.

TERMINAL LEAVE

Mr. CANNON. Have you included in your estimate provision for terminal leave payable to the end of June, that is, as far as you are able to make such estimate?

Mr. ROGERS. The terminal leave which would be paid through this fiscal year; yes.

Mr. CANNON. That has been included?

Mr. ROGERS. Yes.

Mr. CANNON. Of course you understand that what we are interested in here, particularly, one phase, is the cost of liquidation that is going to eventually take place. You have given us as nearly as possible all the administrative expenses up to preparation for complete liquidation.

Mr. PORTER. Of course, it might be made clear that the supplemental request is for funds to operate only until February 15, 1947.

Mr. CANNON. Yes; I understand.

Mr. PORTER. The whole budget is compiled on a yearly basis and that budget for the full year includes terminal leave for all those people who would be dropped from the staff during the year.

As you indicated, we have something over 20,000 people on June 30; we do not have leave included in this budget for those people.

Mr. RABAUT. This is for extra money for operation of the OPA.

Mr. CANNON. Yes.

Mr. RABAUT. I have no questions; I was for it in the beginning.

PERSONNEL

Mr. TABER. I have carried forward a few figures into a list, taking the major items you have given us. The man-year figure is pretty liberal all the way through, 300 of 400 on each one of the big items, the way it figures out. Instead of carrying the 35,071 on the other sheet you carry over to the back sheet, the sheet next to the bottom of the table, you carry over 36,700, so that you have at least a 2,000 velvet in your set-up on that. I just thought that I would call attention to that so you could realize just how it did work out.

Mr. ROGERS. I think I can reconcile the figures for you. If you will look at the bottom of the supplemental sheet you have before you—

Mr. TABER. You show \$113,000,000 and you are carrying over to the other sheet between \$117,000,000 and \$118,000,000.

Mr. ROGERS. I think I can reconcile that for you. The \$113,974,000 at the bottom of the right-hand column there is carried over on the next page that you are referring to, I believe, the right-hand column, where exactly the same figure is picked up and then terminal leave and other costs bring the total to \$127,000,000 for personal services.

Mr. TABER. There does not seem to be any deductions.

What have you in here that would make necessary the foreign employees; why do you need people outside the United States?

Mr. ROGERS. We have certain authority in the territorial possessions—Puerto Rico, Hawaii, and Alaska.

Mr. LLEWELLYN. That is the terminology used by the Bureau of the Budget; it is territorial rather than foreign.

APPROPRIATIONS, 1946, AND ESTIMATES, 1947

Mr. WIGGLESWORTH. As I understand you had about \$142,000,000 for the fiscal year 1946; did you not?

Mr. ROGERS. That was the original.

Mr. WIGGLESWORTH. That was the figure for 1946?

Mr. LLEWELLYN. \$150,171,000.

Mr. WIGGLESWORTH. As I read this table you have the figures for 1947, under the original request, \$157,677,000.

Mr. ROGERS. We originally asked for \$142,200,000, and applying the pay increases for those in Federal service to that brought it up to \$157,677,000.

Mr. WIGGLESWORTH. More than you had in 1946?

Mr. ROGERS. Yes, sir.

Mr. WIGGLESWORTH. You do not see your way clear to cut off more than \$4,100,000?

Mr. ROGERS. That is correct.

Mr. WIGGLESWORTH. So that you are substantially renewing your original requests before this committee, with the exception of 1,026 man-years, and \$4,100,000, roughly?

Mr. ROGERS. That is correct.

Mr. WIGGLESWORTH. This money you are requesting is to carry through the full fiscal year?

Mr. ROGERS. No; we are making a request in this budget for money to carry us until February 15, and the amount of money would be \$101,000,000, based upon the \$153,000,000 figure.

DECONTROL FUNCTIONS OF AGRICULTURE DEPARTMENT

Mr. WIGGLESWORTH. Under the amended law there is work assigned to the Secretary of Agriculture; does that reflect in any decrease in the working funds for the OPA?

Mr. PORTER. The work, Mr. Wigglesworth, which is assigned to the Secretary of Agriculture is recommendations to the OPA with respect to agricultural commodities, and his recommendations must be carried out.

Mr. WIGGLESWORTH. That represents a very large part of the responsibility; there is placed under the Secretary the matter of policy rather than the OPA.

Mr. PORTER. We still have the operating responsibility; there is a division of authority in which he has the policy-making responsibility but we still have to carry out operations.

Mr. WIGGLESWORTH. Is the Secretary going to come in here and ask for a lot of funds for work which has been referred to him?

Mr. PORTER. As far as I know the plans, he intends to carry them out with the existing staff of the Department of Agriculture, but I would prefer he speak for himself on that.

Mr. WIGGLESWORTH. This estimate, of course, is necessarily based on a guess, is it not?

Mr. PORTER. It is an estimate, yes; it is an estimate.

Mr. WIGGLESWORTH. The Secretary of Agriculture, as I understand it, if he wanted to do so, could decontrol every single item of agriculture commodities tomorrow, could he not?

Mr. PORTER. Not until August 20.

Mr. WIGGLESWORTH. But after August 20.

Mr. PORTER. Yes; and if he did so, we would have the responsibility of apportionment, with the Director of the Budget, for the curtailment of expenditures.

Mr. WIGGLESWORTH. I was going to suggest that if that happened that would throw your estimate out the window, would it not?

Mr. PORTER. It would substantially revise it, but I do not think I can give any assurance——

Mr. WIGGLESWORTH. The assumption in this estimate is based on the contingency that there will not be any decontrols of any agricultural commodities or nonagricultural commodities prior to February 15, 1947?

Mr. PORTER. Yes, the assumption is certainly that basic foods, meats, dairy products, will be under control.

DECONTROLS CONTEMPLATED PRIOR TO FEBRUARY 15, 1947

Mr. WIGGLESWORTH. What assumption did you make as to decontrol, if any, of agricultural commodities and nonagricultural commodities prior to February 15 next?

Mr. PORTER. Leaf tobacco, petroleum——

Mr. WIGGLESWORTH. They went out anyway.

Mr. PORTER. They are unless the Decontrol Board puts them back; and certain industrial commodities.

Mr. WIGGLESWORTH. Such as what?

Mr. PORTER. The heavy machinery; we will undertake a progressive decontrol program. Under the act we must have out from control by January 1 all commodities which are not important in the cost of living and business costs, but the estimate of the reduction that that will make in operating personnel we think is largely off-set by the added work-load that was put on the agency by virtue of the new amendments in the substantive act.

Mr. WIGGLESWORTH. The only thing that strikes me is that when you were here before you asked for \$157,000,000; the Budget was on that basis, now in the meantime the bill has been reinstituted and contemplates a progressive and substantial decontrol program and yet you are asking for an appropriation today on the basis of \$153,489,000.

Mr. ROGERS. I think the fundamental reason for that, Mr. Wigglesworth, is the fact that while we are taking literally hundreds or thousands, or perhaps even hundreds of thousands of minor items out from under control the burden on the office comes from the major programs, which create a work load. For example, the commodities in the food field require a very large number of people. The food-price operations include the responsibility for getting out community ceiling prices all over the country, area by area. I do not know exactly at what point we would say we would have to have community ceilings, but as long as there are 50 to 60 percent of the food items under control we would have to have a staff to compute community ceilings each week, or each month.

Mr. WIGGLESWORTH. Is it not a fact that there will not be any agricultural commodities decontrolled except the Secretary of Agriculture decides to specifically decontrol them?

Mr. PORTER. Yes; but I think it should be pointed out in that connection that there are certain standards upon which he bases his

decisions, and it would be very necessary to know whether supplies of certain commodities are still short or not.

Mr. WIGGLESWORTH. In other words, you come here and tell us that you cannot cut down your annual personnel requests more than 5 percent?

Mr. ROGERS. We would certainly say that if he does decontrol certain important items we could make further cuts and have prepared to do so.

Mr. PORTER. But I think on the food point, Mr. Wigglesworth, that if, for example, a basic agricultural commodity is decontrolled there is the possibility that we may still maintain some kind of controls on the consumer products and that decontrol in basic commodities necessarily accentuates rather than reduces the work. Cotton is a case in point. We cannot, under the bill, put a ceiling on raw cotton. At the same time, we do maintain ceilings of basic apparel items; thus, we have to review that regulation month by month as the cotton market fluctuates. I do not think there is any great saving unless there would be a wholesale program of decontrol, and I do not know what the Secretary of Agriculture intends to do.

Mr. CANNON. Mr. Porter, this budget is necessarily tentative. We are dealing with a new proposition here, and you are not able to say definitely just what it will require. You are making the best estimate you can, and if it is excessive the funds will be recovered.

Mr. PORTER. That is correct, Mr. Chairman, as I have endeavored to indicate to the committee, and the committee has wisely recognized that fact in requiring that the Director of the Bureau of the Budget is to review in 30 days what our operating problems would be and make such adjustments in the agency's appropriation as are necessary and report to the committee.

Mr. CANNON. If there is nothing further, we thank you very much.

FRIDAY, JULY 26, 1946.

DEPARTMENT OF COMMERCE

EXPORT CONTROL

STATEMENT OF ARTHUR PAUL, ASSISTANT TO THE SECRETARY AND DIRECTOR OF INTERNATIONAL TRADE; F. R. CAWLEY, DEPARTMENTAL BUDGET OFFICER; J. C. BORTON, DIRECTOR, REQUIREMENTS AND SUPPLY BRANCH; F. E. MCINTYRE, DEPUTY DIRECTOR, REQUIREMENTS AND SUPPLY BRANCH; NATHAN OSTROFF, GENERAL COUNSEL, IOT; REX A. ANDERSON, EXECUTIVE OFFICER, IOT; AND D. F. HARDING, BUDGET OFFICER, IOT

SUPPLEMENTAL ESTIMATES FOR 1947

Mr. CANNON. Mr. Cawley, we have an estimate here in House Document No. 712 for an additional amount for export control. The original estimate for the fiscal year 1947 was \$843,000. This was considered by the Senate. They allowed a half million dollars in the 1947 commerce appropriation bill.

Mr. CAWLEY. That is correct.

Mr. CANNON. The pending supplemental estimate calls for an additional \$600,000, which, together with the amount you are requesting, give a total availability of \$1,100,000.

Mr. CAWLEY. That is correct.

Mr. CANNON. You have a letter from Mr. Wyatt, the Housing Expediter, and I believe it would be well for you to read that letter now, if you will.

Mr. CAWLEY. Mr. Chairman, if I may, I would like to call the attention of the committee to the fact that whereas we received an appropriation of \$500,000 for the fiscal year 1947, which was a reduction from the \$843,000 which you just mentioned, nevertheless the original amount was intended for only a 6 months' period of operation. This morning we are testifying on a total for the entire fiscal year in an amount of \$1,100,000, a little less than half of which has already been appropriated.

ADDITIONAL REQUIREMENTS FOR EXPORT LICENSING CONTROL

In that connection we have Mr. Paul, assistant to the Secretary and Director of the Office of International Trade, here to make a general statement to provide the committee with such information as it may require.

Mr. CANNON. Suppose you read the letter from Mr. Wyatt and then give us such additional information as may be requested.

Mr. PAUL. Shall I read the letter?

Mr. CANNON. Yes.

Mr. PAUL. The letter was addressed to Senator McKellar, from Wilson Wyatt, the Housing Expediter, and was dated July 22, 1946.

Mr. CANNON. This appropriation originated in the Senate, did it not?

Mr. PAUL. Yes; the appropriation originated in the Senate.

The letter reads:

JULY 22, 1946.

HON. KENNETH MCKELLAR,
*Chairman, Committee on Appropriations,
United States Senate, Washington, D. C.*

MY DEAR SENATOR MCKELLAR: I have noted that the \$843,000 supplemental appropriation requested by the Department of Commerce for the administration of the Export Control Act was reduced to \$500,000 for the fiscal year 1947. My attention has been called to the fact that, as a result of this reduction, export licensing control may have to be terminated toward the end of this calendar year.

Among the important steps which are being taken to increase the supply of materials needed for the construction of houses for veterans is the program, worked out with the cooperation of the Office of International Trade in the Department of Commerce, to place under export licensing control all critically short housing items which normally have entered into export trade. If export licensing control were to be terminated toward the end of this year, we may face a further and unexpected drain upon our supply of building materials.

It is therefore hoped that it will be feasible for the Congress to give consideration to providing the funds required by the Department of Commerce to assure continuity of operations under the Export Control Act.

Sincerely yours,

WILSON W. WYATT, *Expediter.*

Mr. Chairman, when we made our original estimate of what would be needed to administer the Export Control Act for the current fiscal year we had a smaller number of items which we were controlling at

that time than we now have, and we expected there would be some further diminution of items that would be necessary to exercise a control over. We do not make the decisions as to what items are to be controlled. We administer the controls when the decision is made. The decision is made by the Civilian Production Administration, the Department of Agriculture, and in the case of building materials, by the Expediter of the housing program.

INCREASE IN NUMBER OF CONTROL ITEMS

Since making our original estimate we have received a considerably large number of requests to control items. We have had, in some cases, to decline to accept those requests because we have not had enough personnel to administer the control of that many items.

Since the latter part of the spring, and particularly during the last 30 days, the impact of requests for control of additional items has become very severe. We have requests from the Civilian Production Administration and very large list of items which I would like to submit to the committee.

(This material will be supplied the committee.)

Mr. PAUL. We have discussed that matter with the Administration, and have agreed to carry on a substantial part of that list, although we cannot carry on the whole list, because we do not have the personnel that would be required to control that entire list.

INADEQUACY OF APPROPRIATIONS FOR 1947

We had expected to cut down further on our personnel. We have been cutting down very rapidly through the entire year. We started, when the Department of Commerce assumed this responsibility, with about 560 people. We now have approximately 280 people on the pay roll. Then, we have the largest backlog of unattended business that we have had in the history of export control. I do not like to testify to that, but it is the fact, and that is part of the reason why we have had to decline to put these additional items under control, because we are not servicing the export trade community in the way in which it is entitled to receive service from an administrative agency.

When we testified before the Senate this condition was beginning to appear and for that reason it was agreed by the Bureau of the Budget and by the Senate Appropriations Committee that the funds we are asking would be applied to the first 6 months instead of the entire calendar year. They asked us whether the amount the Bureau of the Budget had approved, which a little less than what we had originally requested, would be sufficient to take care of the 6-month period. I replied that it would be sufficient, speaking of the total amount we had requested, \$843,000. However, since the decision was reached by the Senate to limit the fund to \$500,000 was announced, we have been faced with the decision as to whether we would try to spread that money over a 6-month period and let the backlog of unattended business still further increase, or whether to continue at present strength during the period in which the need for controls would possibly be even greater than it might be later on.

We have been running in such a way that we would use up that \$500,000 by about the 15th of October, if we left enough to allow for terminal leave payments. The way things stand at the present moment we would continue to control as many items as we can with the present force, up until the 15th of October, but we would have to close up shop shortly after that time.

For that reason, the Secretary of Commerce addressed letters to the Speaker of the House and President of the Senate, and sent copies to the chairmen of the appropriation committees, and Mr. Appleby, Acting Director of the Budget, requested the President to send the communication which came over a few days ago, requesting this additional amount.

As I explained, we have been forced to a decision as to whether we would try to spread this \$500,000 thinly over 6 months, add to the backlog, and decline to some extent to control items which the Department of Agriculture and the Civilian Production Administration and the Housing Expediter wish us to control, or whether we would continue a fairly active control for 3 months and then close up shop. It has been a difficult decision to reach; but, putting everything together, we have felt it was wiser to postpone the reduction until we had an opportunity to explain the situation to this committee, and we have also felt the need for control was probably greatest in the earliest period.

The present prospect for the number of extra items we are going to need to be active on seems to be still swinging in the direction of extra business for us. Because of our personnel situation, we have been resisting that probably to a greater extent than we should, because, I think, certain of the vital materials are needed to keep a balanced and steadily increasing production here at home.

PURPOSE OF EXPORT LICENSES

When the Civilian Production Administration decides a certain amount of merchandise should go out of the country, we allot it to the different countries and also divide it up between the individual concerns that are requesting export licenses.

The use of a license permits the Department of Commerce to direct the flow of United States exports in conformity with the policies of the Department of State and with the essential needs of foreign countries. Differential treatment of Spain or Argentina would not be possible under limitation-order control. The use of a license also permits fair distribution of limited allocations among United States exporters, whereas the limitation-order procedure applies a uniform rule to all exporters. A uniform rule cannot meet the varying situations which exist in different commodities and among different exporters. In addition, the use of a license makes possible the approval or denial of exports on the basis of the essentiality of the use to which the shipment is to be put, after consultation with the United States Embassy in the country of destination, if necessary. About one-third of the commodities under export control are licensed on this basis rather than on the basis of allocations. Used automobiles are typical of this class of goods.

The reconversion economy of the United States must be protected against harmful export drain, but the United States must also prepare for the time when increased exports will be sought in order to provide

employment, as most other nations are now doing. Existing foreign trade connections must be protected and new connections established, within the framework of present controls over exports. Wartime experience demonstrated that intelligent rationing results in getting the most good out of the least material. The rationing of exports among foreign countries and buyers by means of export licenses does the most good for United States present and future trade with the least drain on United States supplies.

These are complicated and difficult administrative problems. It is even more difficult in peacetime than it is in wartime, because you have all of the considerations of the advantage given to one concern that obtains an export license, as opposed to that that do not. And we have been trying, as best we can, to administer that division of the amount allocated for export in an impartial and fair way for the trade.

Mr. CANNON. Speaking generally here, you prefer to approach this proposition from the point of view of \$1,100,000 as a whole, rather than to confine yourself to the \$600,000 asked for in this specific estimate?

Mr. PAUL. In requesting the \$600,000, we have presented our request in the form of an annual schedule, of which \$500,000 has already been appropriated.

Mr. CANNON. You have a break-down, I note, of this \$1,100,000, showing \$905,000 for personal services for 269.5 man-years, and \$195,000 for miscellaneous expenses—a total of \$1,100,000. Has this amount, or any part of this amount, been anticipated in your work up to this time; have you gone ahead and used any part of this amount up to the present time?

Mr. PAUL. We have used a portion of the \$500,000 already appropriated.

Mr. CANNON. But you have anticipated none of the extra?

Mr. PAUL. None of the extra; no, sir.

NUMBER OF PERSONNEL

Mr. CANNON. Now, a month has gone by—how many people do you now have employed on this work?

Mr. BORTON. 277.

Mr. CANNON. They have been recruited during the month, or did you start in with 277 at the beginning?

Mr. PAUL. We started in with that.

Mr. TABER. You started in with that?

Mr. PAUL. Yes, Mr. Taber: we started in with that many.

Mr. CAWLEY. Mr. Chairman, this operation has been reduced rather drastically over the past year. I believe at one time they had as high as 800 employees in the operation. When it came to the Department of Commerce in October there were 567 employees engaged in this activity. Between October and June 30, there was a reduction in personnel down to 277 employees. That is the staff we started off the fiscal year with, and that is the staff that cannot be carried through the entire fiscal year with the \$500,000 appropriated.

Mr. CANNON. As to this 277 you now have, what change will be made in that number in the event this additional \$600,000 is appropriated, if any?

Mr. PAUL. The additional \$600,000, added to the \$500,000 already appropriated, would permit us to have a level of employment amounting to slightly less than the present for the total year.

Mr. CANNON. Slightly less than the 277?

Mr. PAUL. Slightly less than the 277.

Mr. CANNON. And you expect to carry that number through the entire fiscal year?

Mr. PAUL. Yes, sir.

Mr. O'NEAL. Based on the present force, how far would this \$500,000 go?

Mr. PAUL. Based on the present force, we would have to discontinue operations on the 15th of October. That would leave us a small reserve to pay the terminal leave of the people who would be entitled to terminal leave.

Mr. O'NEAL. In other words, the \$500,000 would only run you from July to October?

Mr. PAUL. With a small reserve set aside to pay for terminal leave.

Mr. TABER. How could you get that way; when you estimate \$1,100,000 for the whole year, how could you use the \$500,000 up in 3 months? That would be pretty nearly \$2,000,000 a year.

Mr. PAUL. No. The most of those people would average, I believe, about 45 days terminal leave which we would be required to provide; so that the figure would come out nearer to 5 months, a ratio of 5 months to 12, which would make it about \$500,000 as compared to \$1,100,000.

Mr. CAWLEY. There are two factors here, Mr. Taber. Mr. Paul covered one of them. First of all, there is this factor of terminal leave of approximately 45 days, which requires, in effect, that we carry the staff 45 days longer for the purpose of paying terminal leave. The second is the fact we have this increased pay of 14 percent that has not been specifically provided for in these estimates.

Mr. O'NEAL. What force would you carry if this additional \$600,000 was provided?

Mr. PAUL. We would continue with the present force and taper off slightly throughout the year. We would continue at the beginning of the period with the present force and if the Housing Administrator, the Civilian Production Administrator, and the Secretary of Agriculture required a still greater number of items to be controlled, we might increase slightly during the summer months.

(After discussion off the record:)

Mr. RABAUT. This \$500,000 figure, as I understand, so that we won't have any misunderstanding when we go into conference, you say would carry you for a period of about 3½ months?

Mr. PAUL. Plus terminal leave.

Mr. RABAUT. Yes; plus terminal leave; and the terminal leave, as I understand, amounts to about 1½ months. That takes care of you for a period of 5 months and even this figure of \$1,100,000, according to that, would only be for 11 months; because 5 months at \$500,000 is \$100,000 a month. So the \$1,100,000 would be for 11 months; but as I understand, you hope to absorb some terminal leave that will be a credit, and also to reduce your force so as to live within that figure. Is that correct?

Mr. PAUL. That is correct, except we do not know whether or not we can absorb that 14-percent pay increase.

Mr. RABAUT. That is all I wanted to get.

Mr. CANNON. Have you any questions, Mr. Taber?

Mr. TABER. I do not think I have any more questions.

FUNDS FOR EXPORT CONTROL ACTIVITY DURING 1946

Mr. WIGGLESWORTH. How much did you have for the fiscal year 1946?

Mr. CAWLEY. Mr. Wigglesworth, as I indicated a moment ago, this activity was transferred from the Foreign Economic Administration to the Department of Commerce in October. Prior to its transfer to the Department of Commerce, it was not carried in the FEA as a separate activity; at least, I have not been able to get any precise figures on it.

Mr. WIGGLESWORTH. How much did you spend in the 8 months you have had it?

Mr. CAWLEY. I have done this, Mr. Wigglesworth: I have taken the average cost of the last 6 months and estimated what it would cost us on an annual basis, and that totaled about \$1,355,000.

Mr. WIGGLESWORTH. In other words, you spent \$650,000 in the last 6 months of the fiscal year 1946?

Mr. CAWLEY. Approximately that; yes, sir. We have further estimated—and this is just an approximation—that for the fiscal year 1946 the total cost was about \$2,000,000.

Mr. WIGGLESWORTH. When did you appear before the Senate committee?

Mr. CAWLEY. It was in connection with our 1947 budget, following a letter transmitted by the President dated May 3. I believe our appearance was on May 29, 1946.

Mr. WIGGLESWORTH. At that time, you asked for \$843,000?

Mr. CAWLEY. Yes, sir.

Mr. PAUL. For 6 months.

Mr. CAWLEY. Yes; for 6 months.

Mr. WIGGLESWORTH. That is all, Mr. Chairman.

Mr. CANNON. Thank you, gentlemen.

FRIDAY, JULY 26, 1946.

WAR DEPARTMENT

ALASKA COMMUNICATION SYSTEM

STATEMENTS OF BRIG. GEN. FRANK E. STONER, ASSISTANT
CHIEF SIGNAL OFFICER; COL. KIRKE B. LAWTON, FISCAL
DIRECTOR, OFFICE CHIEF SIGNAL OFFICER

SUPPLEMENTAL ESTIMATE FOR 1947

Mr. CANNON. We have a supplemental estimate here in House Document 715 for the Alaska Communication System under the War Department. You had in your original estimate for 1947, \$543,000, and your appropriation for 1947 was given you in the full amount of \$543,000, and now you ask for an additional \$265,000.

What has occurred since the original estimate was presented to warrant this increased appropriation?

General STONER. The Alaska Communication System furnishes the long lines service for the Territory of Alaska, for the military and other governmental agencies located within the Territory, and for all commercial business within the Territory and between the Territory and the United States. When we made our estimate for \$543,000 we had just finished the war and we estimated on a certain traffic level for the fiscal year 1947.

Since that estimate was submitted, we find that the increased traffic estimated for the fiscal year 1947 shows a material increase over the estimate made in September 1945. The traffic of the War Department and other Government agencies has not reduced as much as was estimated in September 1945.

PERSONNEL

With presently available funds it will be necessary to reduce the civilian personnel of 248 on the 30th of June, 1946, to 85 on the 22d of August, 1946, which will place the Alaska communication system in a condition in which it will be unable to furnish essential service to either the Government or the commercial industry in the Territory.

In order to continue the system on an efficient basis and to furnish the necessary Government, civilian and business service it will be necessary to have the following civilian personnel, plus the funds to pay for holidays, night differential, and overtime:

On the 1st of July, 210; on the 1st of October, 190; and on the 1st of January to the 30th of June 1947, 170.

The Chief Signal Officer of the Army, Maj. Gen. Harry C. Ingles, has just completed a trip inspecting all of our stations in Alaska, determining their needs and their requirements, both military and for the handling of this large volume of civilian traffic; and we feel that this request for an additional \$265,000 is fully justified if we are to provide for the service to the people in the territory and the demands for military communications.

MILITARY FORCE TO BE MAINTAINED IN ALASKA

Mr. CANNON. What military force is to be maintained in Alaska during the fiscal year, General?

General STONER. The exact amount is not known at this time. They have just had a board surveying Alaska and their findings have not been approved.

Mr. CANNON. The personnel is not known?

General STONER. No, sir; it is not, but we feel it will cause additional requirements for military communications.

Mr. CANNON. Approximately how many would you estimate on a rough guess?

General STONER. I do not believe we have that figure with us.

Mr. CANNON. General Richards, can you tell us what force is to be maintained in Alaska during the fiscal year for which this provision is made?

(Discussion off the record.)

Mr. CANNON. How does the number of personnel presently contemplated compare with the number maintained in Alaska prior to the war? As I understand it we had just a handful up there, sort of a token occupation. How many did we have up there prior to the war?

General STONER. Before the war we had one battalion of Infantry at Chilkoot Barracks, which is near Skagway, a very small force. There were also Air Force units at Ladd Field near Fairbanks. Our system at that time was engaged principally in handling the commercial traffic for the Territory. We had very little military traffic at that time; but, as an illustration, now the military traffic is greater than the commercial traffic.

Mr. CANNON. Of the number now there, how many will you have in the Signal Corps?

General STONER. The proportion of Signal Corps soldiers in tactical forces is 4.16 percent.

UTILIZATION OF MILITARY PERSONNEL FOR COMMUNICATIONS

Mr. CANNON. With the soldiers up there under military command, why would it not be possible for us to use military personnel to replace governmental civilian personnel? Would they not serve the purpose just as well, and if that were true, could we not, with the saving which we make in reduced civilian personnel get along without this appropriation, or, at least, a part of this appropriation?

General STONER. Those men are assigned in the tactical force that will be stationed up there; and those men are assigned to tactical Signal Corps units. Their duties are different from the operation of fixed station equipment; and while some of the training that could be given to them at fixed locations would be beneficial, the value of the training for the tactical units is different and it would be rather difficult to rotate them in these stations where you are handling a large traffic load of commercial business which must be handled rapidly and efficiently.

Mr. CANNON. In your budget for 1940 you provided for civilian personnel of 35 and in your accompanying budget you are submitting here you provide for civilian personnel of 197 man-years. With the money you have it would be reduced to 85.

General STONER. If we did not get this increase, that is right.

Mr. CANNON. Why could not that personnel be supplied from your military personnel on the ground there?

General STONER. It would not be a satisfactory solution of this problem, sir.

Mr. CANNON. In what respect?

General STONER. In this respect, that when your tactical troops are employed on tactical communications they will be maneuvering with the units and will be providing communications required for their units. If you are operating a station, let us say, here at Washington, D. C., and you are using civilians, and your civilians are taken out and you put soldiers in, and then the soldiers go away on maneuvers, while they are away on maneuvers or out in the field training, you would have nobody to man your stations.

CONSIDERATION OF PERSONNEL CEILINGS

Mr. CANNON. Does the Budget Bureau expect this additional force to be over and above your over-all personnel ceiling?

General STONER. I do not believe I understand the question.

Mr. CANNON. You know we have established personnel ceilings throughout?

General STONER. Yes, sir.

Mr. CANNON. Now, would this additional force that you are asking go above that ceiling, and does the Budget Bureau have that in contemplation in making this estimate?

General STONER. Yes, sir; this has the approval of the Budget Bureau.

Mr. CANNON. There would be some corresponding reduction if we are to compensate for that.

General STONER. I do not know how they are going to compensate for it. They did not state.

NECESSITY FOR REVISION OF ORIGINAL ESTIMATE

Mr. O'NEAL. General, why was not this in the regular budget?

General STONER. In the regular budget right after the war we made a flash estimate at first on how much we would need to run this system. During the war we were allowed to apply our regular signal service of the Army funds to support the war effort in Alaska. We made an estimate hurriedly, and visualized the traffic at a certain level which we found existed in September of 1945.

Now, we discover in June of this year, this calendar year, that the traffic is much higher than we had estimated, the commercial traffic. In other words, the revenue which is going into the Treasury of the United States every month is much greater than we had anticipated.

Mr. O'NEAL. Is all the commercial work up there put in the hands of the Army?

General STONER. Yes, sir. You see, we have been running that system since 1901. We had 46 stations up there during this last war; and now we are bringing that number down to conform to the traffic requirements where it is profitable, to 34 stations.

Mr. O'NEAL. Have you made an analysis of what that increased traffic is due to?

General STONER. The traffic is due to the general increase of business in the Territory, and then relying on certain types of service which they could not use during the war. For instance, radiotelephone service from any point in Alaska to any point in the United States.

Mr. O'NEAL. Do you mean that there has been such a large increase in population up there?

General STONER. I do not think there has been any great increase in population.

Mr. O'NEAL. What would be the reason for it?

General STONER. The reason for it, I think, is the general opening up of the Territory.

Mr. O'NEAL. If it is not due to the increase in population what sort of increase is it due to? Are there factories or mines being opened up up there?

General STONER. Seasonal occupations, like fishing and the canneries.

Mr. O'NEAL. According to your estimate it is based on the summer load rather than the all-the-year-around load.

General STONER. No; I think the summer load had not started.

Mr. O'NEAL. If you are not having any great increase in population, and if you are not having factories or mines open up, what is causing this increase?

General STONER. Over in Bristol Bay the canneries were closed during the war, and they were not allowed to fish in that area. Now those canneries are all opening up again. That is just one factor.

Mr. O'NEAL. How much is this more than your original estimate?

General STONER. It runs about 50 percent more. We estimated that our commercial traffic would be about \$50,000 a month, and we find in June it runs \$74,000. It has meant more handling, and every time we take in a dollar we just have to have the people there to render this efficient service.

(Discussion off the record.)

AMOUNT OF REVENUE

Mr. TABER. What percentage of your business is governmental and what percentage is commercial?

General STONER. The Government business in the Territory is higher than the commercial business.

Mr. TABER. What are your present receipts?

General STONER. We estimate that if we can use June as an example, that our revenue taken in and put into the Treasury of the United States for this year will be approximately \$900,000.

Mr. TABER. That revenue item is up compared with what it was a year ago?

General STONER. Yes, it is higher. I can give you those figures if you would like to have them.

Mr. TABER. \$74,000 in June?

General STONER. Yes.

Now, for instance, during 1945 in July it was \$68,000. Then in August it was \$74,000, in September it was \$62,000, in October it dropped to \$55,000, and in November it was \$49,000. Then in June of this year it was \$74,000.

Mr. TABER. Is the increase that you are getting in the commercial business reflected in a like increase in the military?

General STONER. Yes; that is one of the factors—it is reflected.

Mr. TABER. Off the record.

(Discussion off the record.)

Mr. WIGGLESWORTH. I have no questions.

General STONER. I would like to make one more statement in consideration of your question, Mr. Chairman. Another factor on utilization of tactical soldiers for fixed communication at the stations is that they are on short enlistments; and by the time you get a man trained in some of these higher specialties, he would have perhaps only 6 months' service in the Territory, so it would mean you would have a high percentage of turn-over in your personnel if you attempted to do that.

Mr. CANNON. Thank you, General Stoner.

FRIDAY, JULY 26, 1946.

PHILIPPINE MILITARY ASSISTANCE

STATEMENTS OF MAJ. GEN. G. J. RICHARDS, BUDGET OFFICER,
WAR DEPARTMENT, AND COL. C. T. TENCH

Mr. CANNON. We will now take up military assistance in the Philippines, the draft of language for which is contained in House Document 747.

General RICHARDS. It has been suggested that I give you a general outline.

Mr. CANNON. If you will, General Richards. I hardly think that it will be necessary to have additional witnesses. We have a letter here from the President transmitting the estimate. The estimate has just come in. We will insert the letter in the record at this point.

(The letter referred to is as follows:)

THE WHITE HOUSE,
Washington, July 25, 1946.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress drafts of proposed provisions pertaining to existing appropriations for the fiscal year 1947 of the Military Establishment of the War Department.

The details of these proposed provisions, the necessity therefor, and the reasons for their transmission at this time are set forth in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., July 25, 1946.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration drafts of proposed provisions pertaining to appropriations for the fiscal year 1947 of the Military Establishment of the War Department, as follows:

"WAR DEPARTMENT

"MILITARY ACTIVITIES

"General Provision

"Any or all of the appropriations of the Military Establishment for the fiscal year 1947 shall be available in a total amount of not to exceed \$19,750,000, for all expenses necessary to enable the President through the War Department to carry out the provisions of the Republic of the Philippines Military Assistance Act."

Under the provisions of Public Law 454, "An act to provide military assistance to the Republic of the Philippines," approved June 26, 1946, military assistance to the Philippine Republic is authorized from materials surplus to the needs of the United States Government or by furnishing the materials and services for which specific appropriations have been made by the Congress.

Negotiations have been in progress between representatives of the War Department and of the Philippine Government. In view of the present situation in the Philippines, it is contemplated that a regular army of 37,000 will be maintained throughout the fiscal year 1947. In addition, the program of the Philippine Government for this year includes the training of 12,000 men under universal military training for 6 months beginning January 1, 1947, and the training of 18,000 ROTC cadets for 1 month in the spring of 1947.

The War Department advises that it can furnish the Philippine Government with sufficient supplies of purely military items from surplus stocks. It has been found, however, that the most pressing need of the Philippine Army is the provision by the United States of food, clothing, fuels and lubricants, training ammunition, and training aids. The internal economy of the Philippine Islands will not permit the local production or procurement of these items nor are there any stocks of such items on hand which are surplus to the needs of our armed forces. In order to supply these items to the Philippine Government, it is necessary that appropriations be made specifically available for such purposes.

* * * * * *

The foregoing drafts of proposed provisions are to meet contingencies which have arisen since the transmission of the Budget for the fiscal year 1947. I recommend that they be transmitted to the Congress.

Very respectfully yours,

PAUL H. APPLEBY,
Acting Director of the Bureau of the Budget.

Mr. CANNON. It refers to the act of June 26, 1946 (Public Law 454). Now, briefly what is contemplated by that law, General Richards?

General RICHARDS. Under the provisions of the act of June 26, 1946, Public Law 454, Seventy-ninth Congress, the President of the United States is authorized, upon application by the Republic of the Philippines, and whenever in his discretion the public interest renders such course advisable, to provide for the transfer to the Republic of the Philippines, among other things, any stores, supplies, services, technical information, matériel and equipment; provided that such transfer shall be consistent with military and naval requirements of the United States and with the national interests.

As to the means of transfer, the act says it may be by sale, loan, exchange, lease, gift, or transfer for cash, credit, or any other property with or without warranty.

Section 6 of this act, which is the most important part of the act as far as funds are concerned, says:

There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act: *Provided*, That articles or services furnished pursuant to the provisions of this Act shall be within the limits of appropriation made specifically for that purpose or to the extent of availability of items which are surplus to the needs of the United States Government.

If we have anything surplus we can, if the President wishes, actually give it to them, loan it to them, or do these things that I have just enumerated; but if it is a question of going out and buying something, the law specifically says that we can only buy in accordance with the specific appropriations which you make for those purposes.

Now, the Filipinos have actually requested us for certain things which are practically for the maintenance of their army, except for pay, for 1 year. They have sent over here their deputy chief of staff with proper credentials; and made the application which is required by law, an application by the Republic of the Philippines, to the United States Government for food, clothing, fuel and lubricants, training ammunition, and certain training aids for their military establishment for the fiscal year 1947. Those are the things for which they are asking the cash appropriation.

That includes food, \$6,091,938.

Fuel and lubricants, \$712,000.

Clothing, \$10,878,279—they are small men who require odd sizes; and we do not have the clothing on hand which will fit them. We have to actually go out and buy these things.

Training ammunition, \$2,000,000. We are having to procure training ammunition for our own soldiers.

Then training literature and visual aids, \$150,000, making a total of \$19,760,217.

These figures were worked up very carefully by the Quartermaster Department, by the Ordnance Department and by the several sections in the War Department's general staff. They have been checked by the Bureau of the Budget. I do not believe the Bureau of the Budget has reduced the figures. They rounded them off to \$19,750,000 which is the estimate now before you.

Mr. CANNON. The law places no ceiling on the amount to be appropriated. The sky is the limit?

General RICHARDS. Yes.

Mr. CANNON. You are authorized to use such means as in your judgment would justify this? This outline is just how you expect to spend it?

General RICHARDS. Yes, sir.

Mr. CANNON. And it is fairly definite as to what we may expect?

General RICHARDS. Yes, sir.

Mr. O'NEAL. This is in accord with the policy of the country, to assist the Philippine Islands?

General RICHARDS. You have read in the papers there is considerable unrest in the Philippine Islands. They are an independent nation and have neither the money, the facilities, nor the material. They do not have the food, the clothing, the ammunition. Unless somebody helps them to help themselves, they will be unable to get their Army on its feet.

Mr. O'NEAL. This action is not deemed a precedent for future years, or any policy that we must maintain on an annual basis?

General RICHARDS. The law itself specifically limits it to not to exceed 5 years. You may make appropriations for that period only.

Mr. O'NEAL. There is a limitation of 5 years?

General RICHARDS. Yes, sir.

Mr. TABER. This Army set-up over there does not involve any of our own troops particularly?

General RICHARDS. No, sir.

Mr. TABER. This involves giving them material with which to operate their Army?

General RICHARDS. Yes. We have given them equipment already which is surplus. They do not have the money and they do not have the food, they state, to feed their Army. They are short of food at the present time in the Philippine Isles.

Mr. TABER. Cannot they raise a tremendous lot of the ordinary foods that they eat, and raise it pretty quickly?

General RICHARDS. Normally they could, but now they are faced with the predicament of the fact that the Japanese either killed or removed from the islands many of the carabao which they used to cultivate their rice paddies; and they are in a bad way as far as raising rice is concerned.

Mr. CANNON. Just by way of summary—and I would like to have the attention of the committee—there is an attitude in some quarters of great generosity toward our little brown brothers over there, and I share that. We wish them well and want to do everything we can for them; but we have spent millions and millions on them and they

have asked for their freedom. We have given their freedom to them at their request; and they have it now. While we want to take care of any acute instances of suffering and acute needs to get them back on their feet, we do not expect to wet nurse them indefinitely.

General RICHARDS. That is right.

Mr. CANNON. I trust that those in charge of this program have that in mind.

General RICHARDS. They have—very much so.

Mr. CANNON. I do not know what the rest of you gentlemen think, but I think that we ought to emphasize that point of view.

General RICHARDS. We feel the same way.

Mr. TABER. I do not think that this should go longer than is absolutely necessary. It would seem to me that they should be able to get on their feet pretty quickly to the point where they can take care of themselves.

(Discussion off the record.)

Mr. CANNON. Are they making any headway toward pacification?

General RICHARDS. They are making headway.

Mr. TABER. Our troops are not involved in that picture at all?

General RICHARDS. No, sir.

Mr. TABER. Do we have any substantial garrisons in the Philippine Isles?

General RICHARDS. Yes, sir; fairly substantial at the present time. We expect to have those based there; and it is to our advantage that our troops who man those bases be not involved in any local disturbances. We like for the Filipinos to police their own country.

Mr. CANNON. We thank you very much.

FRIDAY, JULY 26, 1946.

GENERAL ACCOUNTING OFFICE

OVERTIME, LEAVE, AND HOLIDAY COMPENSATION

STATEMENTS OF FRANK WEITZEL, ASSISTANT TO THE COMPTROLLER GENERAL; A. BANKS THOMAS, CHIEF, CLAIMS DIVISION; ARTHUR B. FOCKE, ATTORNEY, GENERAL ACCOUNTING OFFICE; JAMES A. McDONNELL, ADMINISTRATIVE ANALYST

EXPEDITION OF SETTLEMENT OF CLAIMS OF EMPLOYEES AND FORMER EMPLOYEES OF THE UNITED STATES

Mr. CANNON. Mr. Weitzel, we have an estimate here in House Document No. 716 for overtime, leave, and holiday compensation, \$20,000,000, for implementing H. R. 6532, which, I believe, is now awaiting the President's approval.

Mr. WEITZEL. I understand that is so, Mr. Chairman.

Mr. CANNON. And there seems to be little doubt that the President's action will be favorable. This bill comes about from a recommendation of the Comptroller General contained in House Report No. 2169 accompanying H. R. 6532. The letter indicates that the legislation will result in a considerable money saving. Please give us an explanatory statement, Mr. Weitzel.

GENERAL STATEMENT

Mr. WEITZEL. Mr. Chairman and members of the committee, my name is Frank H. Weitzel, Assistant to the Comptroller General of the United States. I have with me Mr. A. Banks Thomas, Chief, Claims Division; Mr. B. Focke, attorney; and Mr. James A. McDonnell, administrative analyst; in the General Accounting Office. We appreciate the opportunity to come here this morning to testify on the request for an appropriation of \$20,000,000 to enable the President through the departments and agencies concerned to pay claims for overtime, leave, and holiday compensation at night rates as certified under H. R. 6532, which is awaiting approval by the President. At the outset we would like to make it clear that the proposed appropriation will not result in any new cost to the Government but will provide a convenient and economical means of payment of these claims, the amounts of which, in the absence of H. R. 6532 and the proposed appropriation, would in many cases have to be charged to several appropriations, over a period of several years even. Some of these claims go back as far as 10 years or more. The appropriation was specifically provided for in section 5 of the act. The act is based upon a recommendation of the Comptroller General submitted for consideration of the Congress by his letter of May 22, 1946, to the Speaker of the House of Representatives. I have a copy of that letter here for the record if the committee so desires. As indicated in that letter, the procedure provided for in the act reasonably may be expected to result in an over-all saving to the Government of at least \$4,000,000 and will materially expedite settlement of claims for amounts due employees and former employees of the United States referred to in the letter.

The claims involved have arisen mainly in the War, Navy, and Treasury Departments, the Panama Canal, and the Government Printing Office. In his decisions the Comptroller General has held that under the act of March 28, 1934, section 23, applying to employees in the several trades and occupations whose pay is fixed by wage boards—the so-called wage-board employees—the overtime rate of time and one-half for work in excess of 40 hours per week must be based upon the rate received during the regular 40-hour tour of duty, including any night differential paid for such regular tour of duty. In other words, if the employee's regular rate is a day rate, overtime properly is payable at time and one-half of that rate, but if the regular rate is a higher night rate, such higher night rate is the starting point in applying the 50-percent increase for overtime. The practice in the Government has not been uniform in this respect, and a very large number of claims have been or will be made for the difference between overtime, leave, and holiday pay on the basis of night rates and on the basis of day rates.

Passage of this legislation has made it possible for disbursing officers for the various agencies to pay an anticipated million claims which otherwise would have to be settled and adjusted in the General Accounting Office. There now remains nothing but a search of the records and a computation of the amounts due—since all the legal questions have already been decided by the Comptroller General—which will have to be done by the administrative agencies in any event and can just as well form a basis for administrative payment.

as for settlement by the General Accounting Office. Indeed, payment would normally be made by the administrative offices but for the facts that the claims involve lapsed appropriations and employees no longer in the service. The departments now are currently paying their present employees on the basis of the Comptroller General's decisions. The act, in authorizing one appropriation out of which payments could be made, thereby saves the cost of determining the particular appropriations to which the payments otherwise would be chargeable—in many cases, appropriations under several headings, and in the majority of cases, appropriations for several fiscal years; particularly in the case like those in the Navy, where a man might be working at a navy yard and his salary or wage would be charged to several appropriation headings and, in a majority of cases, the appropriations over several fiscal years.

Other features of the legislation aid in reducing the cost of making these payments. In view of the small amount involved in most of the claims—approximately \$20 on the average—section 4 provides that amounts certified for payment under the act be paid without retirement deductions and without withholding of any amount for taxes. Those amounts would vary from a few cents to a very few dollars, but would add greatly to the cost of administration. But with the authority under H. R. 6532, it will not be necessary to make these deductions. Many of the employees are already out of the service in any event and they would just give the retirement deduction back to them.

This will save the cost of processing such items. The act almost entirely eliminates the estimated cost of \$4,000,000 to the General Accounting Office for settlement of the claims, and will result in more speedy payment of the amounts due these employees and former employees. Where the employee has died or is mentally incompetent, the act requires that the claim of his heirs or representative be submitted to the General Accounting Office for settlement in the usual manner, thus protecting the interest of the Government in such cases and assuring the proper parties of pay.

In the interest of economy and prompt action the Comptroller General strongly recommends the granting of this appropriation.

With respect to the amount requested, information obtained informally from the administrative agencies which will be principally concerned, is to the effect as just indicated that approximately 1,000,000 claims may be expected and that the average amount payable thereunder is estimated to be \$20. Since it is impossible to estimate any more closely at this time just how much will be needed, the suggested authorization has been drafted in a form permitting the President to make allocations in accordance with the needs of the respective departments and agencies within the total amount of \$20,000,000.

Mr. Chairman, these gentlemen and I will be glad to answer any questions that you may have.

FORMULATION OF ESTIMATE

Mr. CANNON. What method did you use in arriving at the amount of \$20,000,000? Why was it not \$19,000,000 or \$21,000,000? What was your basis in arriving at the exact amount of \$20,000,000?

Mr. WEITZEL. I would like to ask Mr. Thomas to answer that.

Mr. THOMAS. Mr. Chairman, that is an estimate that we have arrived at through information that we have secured from the activities involved. The Navy Department estimated approximately 750,000 employees would file claim for an increase under this decision of the Comptroller General. We have gone over approximately 800 claims which we have received up to date in arriving at the approximate amount of each claim and those 800 claims we have found average approximately, some a few dollars more than \$20 and others much less. But the approximate amount of each claim, those that we have had average approximately \$20.

Mr. CANNON. You have tabulated the claims?

Mr. THOMAS. Yes, sir.

Mr. CANNON. You have added up the amounts?

Mr. THOMAS. Yes, sir.

Mr. WEITZEL. There are a large number of claims which we have not yet received in the General Accounting Office.

UNUSED APPROPRIATIONS TO REVERT TO SURPLUS FUND

Mr. CANNON. Have you a break-down by appropriations of those items which would not be drawn upon but for this legislation?

Mr. THOMAS. No, sir. As Mr. Weitzel has pointed out, there may be literally hundreds of allotments; particularly in the Navy Department, where the budget is set up on an allotment basis. The mass of the appropriations would be approximately the same, probably only four or five involved. But in the Navy Department, and I presume the same is true in the War Department, many funds would be involved that would now go to the surplus fund. We would have authority under provisions in the Treasury Department Appropriation Act which this committee authorized to pay those claims up to \$500 from the surplus fund accounts without coming back to the Congress for additional funds.

Mr. CANNON. I think you said that there would be no new cost to the Government but that these claims would be charged against appropriations which would be available but for this legislation. What will you do with the money that is thus freed?

Mr. WEITZEL. I believe I can answer that.

Mr. CANNON. Please do.

Mr. WEITZEL. That part of the money which is in the surplus fund will simply stay in the surplus fund and cannot be charged except for valid claims which became obligations against those appropriations before they went into the surplus fund. So I would say, as to those in the surplus fund, they would simply stay in the surplus fund, if there are any claims, and there will probably be some chargeable to current appropriations, some small amounts might be available for other purposes. But I would say the great majority would already have gone to the surplus fund because, since 1944 or 1945, I would say the departments have been currently paying their employees under the decisions of the Comptroller General—since October 1944.

CATEGORIES OF CLAIMS

Mr. O'NEAL. What are the chief categories of claims?

Mr. THOMAS. They would be principally of two classes—those on which a man worked on night duty payable on the night rates but,

notwithstanding the fact that he was working on a differential at night at an increase over his day rate, he was nevertheless paid overtime on the basis of his day rate. I think it runs approximately 8 cents an hour, if I am not mistaken—that is the difference.

Mr. FOCKE. Six cents an hour.

Mr. THOMAS. Or 6 cents an hour.

Mr. O'NEAL. That is the major class?

Mr. THOMAS. That is the major class. Then the same is true as to holidays. If he happened to hit on a holiday and he was paid on the basis of his regular pay rather than on the differential for that particular period of time. The claims are nominal in amount.

Mr. O'NEAL. The Comptroller General has ruled that if a man is on night duty, his overtime would be payable on his night rate rather than his day rate?

Mr. THOMAS. Yes, sir.

Mr. O'NEAL. Is there any other category besides those two?

Mr. THOMAS. Those are the only two I can think of.

Mr. WEITZEL. There would be a few claims for leave pay, I believe.

Mr. FOCKE. The same thing applies to leave as applies to the holiday.

Mr. O'NEAL. Has your spot check shown what would be the average?

Mr. THOMAS. \$20.

Mr. O'NEAL. In both categories?

Mr. FOCKE. There would not be separate claims. They would usually involve a period during which a holiday may have occurred or when he might have been on leave for a day, but the claims would cover the entire period during which he was entitled to be paid overtime on the basis of the night rate.

NUMBER OF CLAIMS

Mr. O'NEAL. And how many claims do you estimate?

Mr. THOMAS. Approximately 1,000,000 claims. We get that purely from the administrative offices. The last count we had of completed claims was some 50,000 that they had completed in one navy yard; I have forgotten which, I believe the Boston Navy Yard, some one of the larger Navy activities. We do not have any different figures as yet.

TIME LIMITATION FOR SETTLEMENT OF CLAIMS

Mr. O'NEAL. There is no time limitation that runs against these claims now?

Mr. WEITZEL. As to that, the act provides that payment can be made on the claims back to the act of March 28, 1934, which was what started this provision with respect to overtime. But no claims can be paid under this act after the date of the approval of the act. That is, anything that comes up after the date of the approval of the act for services rendered after that date will be paid under current procedures for the department or the establishment, on the department pay roll.

Mr. O'NEAL. And what is the date of the approval of the act?

Mr. WEITZEL. It will probably be this week. That will be the end date of these claims; 1934 is the starting period.

Mr. O'NEAL. You say there is a general 10-year limitation?

Mr. WEITZEL. There is a general statute of limitations providing for a period of 10 years after the accrual of a claim.

Mr. O'NEAL. Why do not these claims date from 1936 instead of 1934?

Mr. WEITZEL. That statute was waived as to these particular claims on the theory that it was as much the fault of the Government as of these employees that their payments were not made at the correct rates in the first place.

Mr. O'NEAL. Have you any discretion with respect to the claims falling in the period 1934 to 1936?

Mr. WEITZEL. We have no discretion and the departments will have no discretion. If a claim is presented by an employee for services after 1934, the department will have to pay it.

Mr. O'NEAL. What does the language of the act mean, that if the claimant himself was dilatory he could not receive the payment?

Mr. WEITZEL. That is the general statute of limitations, which is the act of October 1940.

Mr. O'NEAL. That general provision was waived, too?

Mr. WEITZEL. That general provision was waived in this act. Mr. Focke has the provision here.

Mr. FOCKE. It was waived specifically by section 3 (c) of H. R. 6532 which reads that, except as otherwise provided in the act, which establishes the starting date of 1934 and the ending date as that of the approval of the act in 1946, no claim shall be barred by any statute of limitations.

Mr. O'NEAL. Is it not often true that a man has both day duty and night duty, and that he goes from one to the other and serves a while on each?

Mr. FOCKE. Yes, sir.

Mr. O'NEAL. The fact that he took a holiday at the time that he was on night duty establishes a different rate even though his duty might have been both day duty and night duty alternately. That is, if the holiday period came during the time that he was on night duty he would get the increased rate; is that right?

Mr. FOCKE. Yes, sir; if that were his regular tour of duty at the time the holiday occurred. Of course, if the man only happened to work at night 1 day a week or even 2 days a week, if he was regularly on the day shift, he would not get the night rate for overtime or holiday pay.

Mr. O'NEAL. In other words, that is taken into consideration?

Mr. FOCKE. Yes, sir.

Mr. O'NEAL. That is all.

SOURCE AND SETTLEMENT OF CLAIMS

Mr. TABER. You said there were 1,000,000 of these claims?

Mr. THOMAS. Approximately 1,000,000; yes, sir.

Mr. TABER. Where are they mostly?

Mr. THOMAS. The greater portion of them are in the Navy Department; each navy yard and arsenal operated through the Navy. There are some few in the Government Printing Office and some few in the Panama Canal and the bulk of the remainder in the War Department.

Mr. TABER. The largest part of them are in the Navy Department. What would be the harm in just allowing the items to be charged against their appropriation?

Mr. THOMAS. The Navy funds are not available. If we handle the claims through the General Accounting Office, the funds would be available through special authorization in the Treasury Department Appropriation Act. They are not available to the Navy Department at this time.

Mr. WEITZEL. The further difficulty about that would be that it would take a great deal of bookkeeping work and time to determine exactly which appropriation of the Navy would be charged, and there might be several appropriations extending over 10 or 12 different fiscal years, each of which would have to be charged with as much as \$5 or as little as 25 cents in arriving at a total amount to be paid. This would provide one single appropriation to which all of the claims could be charged to all of the agencies.

Mr. TABER. I understood that. That is all.

Mr. WIGGLESWORTH. Is this \$20,000,000 new money?

Mr. WEITZEL. It will be a new appropriation, but it will not represent any new net cost, because even without H. R. 6532 and without this appropriation it would still cost exactly the same amount to pay these claims.

Mr. WIGGLESWORTH. I notice that apparently these claims go way back to March 28, 1934; is that right?

Mr. WEITZEL. That is correct.

Mr. WIGGLESWORTH. Why have they not been settled in that period?

Mr. FOCKE. The question was never raised, sir, until 1944 when an employee of the Government Printing Office presented a claim for payment on the basis of the night rate for his overtime work. Prior to that time, in some departments, payments had been made on that basis. In others they had not. When the claim was specifically presented to him for the first time in 1944 the Comptroller General ruled that the employee was entitled to be paid overtime on the basis of the night rate. These claims arose following that decision.

Mr. WIGGLESWORTH. In what time do you expect this \$20,000,000 worth of claims to be presented and approved?

Mr. FOCKE. That will depend upon the employees available to the departments and the speed with which they are able to compute the payments. In the Navy Department it may require a considerable period of time, perhaps running into as much as 2 years before they are able to do the work necessary to compute all of the claims.

Mr. WIGGLESWORTH. Then you do not really need all of this \$20,000,000 in the fiscal year 1947, do you?

Mr. THOMAS. It is difficult to say, because we do not know exactly the speed with which the Department will be able to pay the claims. If they could get the work done within the fiscal year 1947, they would need it.

Mr. WIGGLESWORTH. The great bulk of the claims is in the Navy Department, I understand?

Mr. THOMAS. Yes, sir.

Mr. WIGGLESWORTH. I think that is all.

Mr. CANNON. Thank you, gentlemen.

Mr. WEITZEL. Thank you, Mr. Chairman.

FRIDAY, JULY 26, 1946.

ARMED FORCES LEAVE PAYMENTS

STATEMENTS OF MAJ. GEN. GEORGE J. RICHARDS, DIRECTOR BUDGET DIVISION, WAR DEPARTMENT GENERAL STAFF; MAJ. GEN. W. H. KASTEN, CHIEF OF FINANCE; COL. E. J. BEAN, OFFICE, CHIEF OF FINANCE; COL. H. F. CHRISMAN, OFFICE, CHIEF OF FINANCE; AND COL. T. F. KEEFE, OFFICE OF THE ADJUTANT GENERAL, REPRESENTING THE WAR DEPARTMENT; CAPT. A. C. RICHMOND, CHIEF, PLANNING AND CONTROL STAFF; COMMANDER C. B. ARRINGTON, ASSISTANT CHIEF, BUDGET DIVISION, REPRESENTING THE COAST GUARD; REAR ADM. H. D. NUBER, BUREAU OF SUPPLIES AND ACCOUNTS; COMMODORE W. R. RYAN, BUREAU OF SUPPLIES AND ACCOUNTS; N. P. CASSIDY, BUREAU OF SUPPLIES AND ACCOUNTS; P. H. BUVENS, BUREAU OF SUPPLIES AND ACCOUNTS; CAPT. D. F. McLEAN, BUREAU OF NAVAL PERSONNEL, REPRESENTING THE NAVY DEPARTMENT; MAJ. C. A. FAIRBAIRN, HEADQUARTERS, UNITED STATES MARINE CORPS

SUPPLEMENTAL ESTIMATE

MR. CANNON. We have before us for consideration an item for pay of terminal leave to members and former members of the armed forces. This estimate, as set forth in House Document Numbered 717, pursuant to legislation now about to go to the President, and is in the amount of \$2,679,493,000.

Which of you gentlemen will speak on behalf of this estimate?

General RICHARDS. General Kasten will speak for the War Department, sir.

PURPOSE OF THE ESTIMATE

MR. CANNON. We would like to have someone give us an over-all statement, on the whole matter, before we go into the details. General Richards, could you do that?

General RICHARDS. Yes, sir. The act thus far known as H. R. 4051 granted certain remuneration to enlisted personnel who were on or should have had terminal leave, either actual terminal leave or constructive terminal leave.

The War Department and the Navy Department were requested to submit estimates as to how much this would cost; and have submitted estimates. The estimates submitted by the War Department are \$1,883,068,000; for the Navy Department \$736,130,000; for the Treasury Department, \$60,295,000.

Included in these amounts are not only the actual funds which are to be given to the soldier, but also funds necessary to administer the act. As far as the War Department is concerned, I think the amount to administer the act is less than 1 percent, about eight-tenths of 1 percent of the fund which it gives out.

Mr. CANNON. The same routine will be followed in all branches of the service; the same requirements will be established and the same formula will be followed in all the branches of the service?

General RICHARDS. Yes, sir.

Mr. CANNON. Or will there be any distinction between any of the branches of the service?

General RICHARDS. The fund will be appropriated to the Executive Office of the President; and the President, in turn, is to give to the War Department, Navy Department, and the Treasury Department in proportion to their needs. So instead of making three or four appropriations, you make one to the President and he allots it in proportion to the needs of the various departments.

ADMINISTRATIVE EXPENSES

Mr. CANNON. You say that the administrative expenses will be less than 1 percent of the entire appropriation?

General RICHARDS. Yes, sir; as far as the War Department is concerned.

Mr. CANNON. The administrative expenses in the different branches of the service will be about the same?

General RICHARDS. In the War Department they are largely for additional clerks who are needed, and some small amount of printing and binding. The clerks are in the Adjutant General's Office and the Office of the Chief of Finance. It is to take care of an additional administrative load which we cannot carry with the regular personnel.

ESTIMATED NUMBER OF RECIPIENTS

Mr. CANNON. Speaking generally and as a whole, how many recipients will be provided for in all of the branches of the service?

Colonel CHRISMAN. Between fifteen and sixteen million from all the services.

Mr. CANNON. That is as accurately as you can come to it?

Colonel CHRISMAN. Yes, sir; I do not know how many men may have died since discharge who have left no dependents. That is one of the factors which makes for uncertainty; also how many men had all of their leave.

Mr. CANNON. You anticipate that all men eligible will make application?

Colonel CHRISMAN. Yes, sir.

RANGE OF PAYMENTS

Mr. CANNON. What will be the range of payments? What will be the minimum and the maximum, and what will be the average?

Colonel CHRISMAN. The minimum will probably run as low as \$5, or perhaps less in the extreme case. The maximum may run as high as approximately \$500. That, again, would be a very unusual case. I think the average range of payments will be about \$160—\$170. I am speaking now for the War Department. I believe that figure might be a little higher in the Navy Department, because their grades and ratings will average a little higher than the War Department's.

FORMULA OF PAYMENT

Mr. CANNON. What are the determining factors and what is the formula to be followed in making this estimate?

Colonel CHRISMAN. The pay will be the base and longevity pay which the soldier was receiving at the time he was discharged from the service, plus a subsistence allowance of 70 cents a day; that is for all soldiers—plus an allowance for quarters of \$1.25 a day for enlisted men of the first three grades who had dependents at the time they were discharged. In other words, it is completely consistent with the Pay Readjustment Act of 1942, as amended.

Mr. CANNON. The formula has been worked out and will be adopted by all branches of the service?

Colonel CHRISMAN. Yes, sir. There is a joint committee of the four services which is even now working on clearing up the final instructions. The bill in itself requires that the same formula be adopted for all of the services. Regulations are now being prepared jointly by the representatives of all four services who are sitting together; and those regulations will be completely uniform insofar as the payments are concerned. There will be slight variations as to internal organization in the matter of paying. As I understand, the Navy Department intends to make these payments from one location. The Army plans to make them from some 25 or 30 locations. But that is purely a matter of internal administration. The rules and regulations under which payments will be made will be completely consistent.

Mr. CANNON. Will the same formula be followed with enlisted men that has been followed with officers in estimating terminal pay?

Colonel CHRISMAN. Insofar as the amounts that will be received; yes, sir. We cannot make it uniform because officers who have received this so-called terminal-leave pay were retained on active duty until such time as they had used up their leave. In other words, instead of taking their leave while they were in the service and then coming back and doing duty again, they got their leave at the end of their service. Of course, we cannot go back and make that consistent for the enlisted men who have been discharged because it would mean reinducting them into the service, putting them on furlough, and keeping them until they had completed their furlough. So we are making a cash settlement with them. But the amounts received by the officers and the enlisted men will be completely consistent.

Mr. CANNON. How many officers have received terminal pay?

Colonel CHRISMAN. We do not have that figure, Mr. Chairman.

Mr. CANNON. Will you supply it?

Colonel CHRISMAN. We can obtain that and furnish it for the committee.

(Discussion off the record.)

Mr. CANNON. There is no difference in the formula as applied over-all to a class or as applied to the individual?

Colonel CHRISMAN. No; this bill will attain complete equality as between the commissioned personnel and the enlisted personnel of the service, in the past and in the future.

TOTAL DISBURSEMENTS TO BE MADE IN FISCAL YEAR 1947

Mr. CANNON. The best estimate that you can give us of the total amount that will be disbursed during the present fiscal year for this purpose is how much?

Colonel CHRISMAN. The total amount, which includes both disbursements and administrative expenses, is \$2,679,493,000.

Mr. TABER. Is that for the Army?

Colonel CHRISMAN. That is for all services. Of the amount to be disbursed to the soldiers, it has been estimated that something less than 10 percent will remain to be disbursed in the fiscal year 1948 and the remainder will be disbursed in the fiscal year 1947.

Mr. CANNON. Does this include administrative expenses?

Colonel CHRISMAN. Included in the \$2,679,493,000 is \$20,835,000 for administrative expenses which we estimate to be obligated entirely and expended in the fiscal year 1947.

COMPARISON OF ENLISTED MEN'S TERMINAL LEAVE PAY WITH THAT OF OFFICERS'

Mr. CANNON. This formula used in computing terminal leave payment for officer and enlisted men follows the same procedure and the same routine; you use the same formula for officers and men?

Colonel CHRISMAN. Yes; the result is exactly the same. As I pointed out, Mr. Chairman, for the officer we merely extend his period of service, for which he drew pay, but in the case of the enlisted men we must go back, by virtue of the applications made, and compute the amount of leave he took while in the service, and pay him in cash; but the result will be exactly consistent.

Mr. CANNON. So that the procedure is the same. In the Navy do you use a different or the same formula as it applies to the War Department?

Admiral CARTER. The final result is the same with the enlisted man.

Mr. CANNON. You may use a slightly different formula but arrive at the same conclusion?

Admiral CARTER. Yes.

TERMINAL LEAVE PAYMENTS AS COMPARED WITH ADMINISTRATIVE EXPENSES

Mr. TABER. You said that the amount that the War Department would require would be how much?

General RICHARDS. \$1,883,068,000.

Mr. TABER. And the Navy would require how much?

General RICHARDS. \$736,130,000.

Mr. TABER. For the Navy?

General RICHARDS. Yes.

Mr. TABER. And what would be the expense of the two organizations for administration?

General KASTER. For the Army it is \$13,548,000.

Mr. TABER. And for the Navy is what?

Mr. BUVENS. \$5,373,500.

Mr. TABER. Will you give me that figure again?

Mr. BUVENS. The total for the Navy, including the Marine Corps, for administrative expenses, is \$5,373,500.

Mr. TABER. And the total expenditures of the Navy, including the Marine Corps, is \$736,130,000?

Mr. BUVENS. Yes.

Mr. TABER. And you said that you expected that of the amount to be disbursed to the soldiers, the total to be paid out within the current fiscal year would be about 90 percent. Would that apply to the Navy as well?

Mr. BUVENS. The Navy will pay out a slightly larger percentage in the current fiscal year.

Mr. TABER. How much is estimated for this?

Mr. CASSIDY. The estimate was checked and rechecked and cut down to the minimum we could get along with.

PROCEDURE TO BE FOLLOWED IN SETTLEMENT OF CLAIMS

Mr. TABER. How do you suppose these people will ever get their claims in within the next 6 or 7 months? It is going to take 2 months to operate every one of them, is it not?

General KASTEN. Under the plan we expect to have the forms in, in about 10 days; and we estimate it will take about another 10 days to distribute the forms.

Mr. TABER. You are going to send them out?

General KASTEN. To every post office; yes. And the estimate we have from the Treasury is that it will take about 3 months to print the bonds. However, in the Army, we intend to go ahead servicing the claims as they come in and make payment by check for the amount not covered by bonds.

Mr. TABER. How much of this goes for bonds? The bonds are not included in this figure, are they?

General KASTEN. Yes, sir, they are.

Mr. TABER. Why do we need to appropriate the money if you are going to give bonds?

Colonel CHRISMAN. Because money must be appropriated for this purpose in order that the Treasury may be paid for increasing the public debt that will come about by the issuance of bonds.

COAST GUARD TERMINAL LEAVE PAYMENTS

Mr. TABER. Will you give me the amount for the Coast Guard?

Captain RICHMOND. The figure is \$58,381,500 for terminal leave.

Mr. TABER. What else is there besides that?

Captain RICHMOND. \$398,500 for administration.

ELECTION IN METHOD OF SETTLEMENT OF CLAIMS

Mr. RABAUT. Is there any election in the law for the boys to take bonds or money?

General KASTEN. At the moment it is in conference.

Mr. RABAUT. It is still in conference.

General KASTEN. Yes.

Mr. RABAUT. I thought perhaps you had been furnished some additional information.

General KASTEN. As it is now, anything under \$50 is to be paid by check or cash; and the rest is to be a bond payment.

Mr. TABER. Are you going to give a payment of \$50 anyway?

General KASTEN. No; anything under \$50 is a check or cash payment.

APPROPRIATION NECESSARY FOR FISCAL YEAR 1947

Mr. CANNON. It is apparent you cannot expend all of this money immediately. What is the smallest amount of money that will be required to handle the operations for the remainder of the fiscal year? You will not need all of this money.

Colonel CHRISMAN. Mr. Chairman, in the War Department we estimate that the entire \$13,548,000 that is being asked for in this appropriation as administrative expenses, will be obligated in the fiscal year 1947, and 90 percent —

Mr. CANNON. I am talking about the entire appropriation, the amount that will be appropriated, and the amount that will be put in the bill, placed to the credit in the Treasury, not just the administrative expenses; but how much will be needed for the remainder of this fiscal year, because we only want to appropriate to the beginning of the next fiscal year?

Colonel CHRISMAN. Our estimate would be 90 percent of the total for the direct payments to veterans would be needed in the fiscal year 1947.

Mr. CANNON. You think the entire 90 percent will be absorbed between now and June 30, 1947?

Colonel CHRISMAN. I believe it would. That is our best estimate. This matter has become of such wide interest and so much publicity has been given to it, that we feel that every veteran who has a claim is going to get his claim in promptly after the forms are distributed to the post offices; and they will be cleared between then and the end of this fiscal year.

Mr. CANNON. That appears to be reasonable; 90 percent of this amount you think would be needed then to take care of you for the remainder of the year?

Colonel CHRISMAN. That has been the estimate.

Admiral CARTER. And I might say that while we did not confer with the War Department, we arrived at the same estimate so far as the Navy is concerned.

Mr. CANNON. Working separately you arrived at the same figure?

Admiral CARTER. Yes.

FUTURE POLICY IN HANDLING TERMINAL LEAVE

Mr. O'NEAL. What about the future policy as to terminal leave?

General KASTEN. That is taken care of in this bill if it passes.

Mr. O'NEAL. If it passes it stops terminal leave?

General KASTEN. No; it provides 3 months.

Mr. O'NEAL. Three months' terminal leave.

General KASTEN. Yes.

Colonel CHRISMAN. And the enlisted men are given exactly the same privileges as officers have heretofore had.

FRIDAY, JULY 26, 1946.

PRICE DECONTROL BOARD

STATEMENT OF E. B. STAATS, ESTIMATES DIVISION, BUREAU OF
THE BUDGET

SALARIES AND EXPENSES

Mr. CANNON. We will take up now the item for Price Decontrol Board contained in House Document No. 720 in the amount of \$250,000.

I will ask Mr. Staats to give us a statement on that item.

Mr. STAATS. We were under a little difficulty to develop an estimate for the Price Decontrol Board inasmuch as the members of the Board have not yet been determined, and of course we have not been able to develop an estimate based upon a definite program for this agency.

The chief purpose of sending up an estimate at this time was to enable the Board to begin operations immediately, and so they would have funds with which to operate, so they would not have to wait until the Congress convenes. Obviously, in this case, they could not wait. We have developed here more or less a token estimate for the Price Decontrol Board.

We have built this up as best we could on the basis of the statute setting up the Price Decontrol Board.

The Board, according to the law, is to be made up of three Board members, and the law provides there shall be a secretary. The law also provides that there shall be appointed, in the event that the number of petitions for decontrol reach a point justifying it, hearing commissioners. We have more or less arbitrarily assumed that there would be seven such commissioners, together with six or seven analysts and secretarial help.

Mr. CANNON. It would be impossible for you to know just what the expense would be?

Mr. STAATS. Yes.

Mr. CANNON. And the best we can estimate for is a token appropriation. In a general way, would you estimate that this quarter of a million dollars would be above or below your estimated expenditures?

Mr. TABER. In other words, is it the asking price?

Mr. STAATS. Well, that is as good a figure as we could, you might say, pull out of the air.

Mr. CANNON. This is merely an estimate.

Mr. STAATS. I can tell you how we have built the estimate. We have assumed that it would take about a month to set up the organization, and we feel that the work would be pretty well underway in about 2 months, and completed about 2 or 3 months before the end of the fiscal year. We have assumed, therefore, that the full-year requirements should be discounted about 25 percent for that reason.

FRIDAY, JULY 26, 1946.

COUNCIL OF ECONOMIC ADVISERS

STATEMENT OF E. B. STAATS, ESTIMATES DIVISION, BUREAU OF
THE BUDGET

SALARIES AND EXPENSES

Mr. CANNON. The next item is for the Council of Economic Advisers, which is contained in House Document No. 723, in the amount of \$375,000?

Mr. STAATS. As you know, Mr. Chairman, the Council has not been organized, and the first two members of that Council were announced yesterday for the first time.

Mr. CANNON. The same situation exists with respect to this item as for the previous item just discussed?

Mr. STAATS. Yes. We have had to base it on the statute.

Mr. CANNON. This is also largely a token appropriation, but you estimate that this will be sufficient to cover the costs?

Mr. STAATS. That is correct. But in that connection the limitation in the Full Employment Act is \$345,000 for personnel services. This total estimate is \$375,000, which would still be within that limitation.

Mr. TABER. When do you expect them to get started?

Mr. STAATS. We have no way of knowing definitely.

Mr. TABER. By the 1st of October?

Mr. STAATS. That may be about right.

Mr. TABER. If you were to receive \$250,000 that probably would be plenty?

Mr. STAATS. The \$375,000 has been arrived at on the basis that there will be no one on the pay roll in the first month of the new fiscal year; and we have lapsed the personal-services requirement about 20 percent beyond that because of delay in recruitment. You might say we have already assumed that the Council would not get organized until late August or September.

FRIDAY, JULY 26, 1946.

ATOMIC ENERGY COMMISSION

STATEMENTS ON E. B. STAATS, ESTIMATES DIVISION, BUREAU
OF THE BUDGET, AND JAMES NEWMAN, COUNSEL OF THE
SENATE COMMITTEE ON ATOMIC ENERGY

Mr. CANNON. For the Atomic Energy Commission there is contained in House Document No. 722 an estimate of \$750,000. What is the basis of that estimate, Mr. Staats.

Mr. STAATS. With respect to the Atomic Energy Commission I would like to refer to a letter which has been addressed to Mr. Cannon from Mr. Appleby, which amends or substitutes new language for the language in the bill.

Mr. CANNON. What is the difference in the language as suggested in that letter and the language as it appears in the bill?

Mr. STAATS. The \$750,000 estimate which was submitted yesterday was considered necessary to provide administrative expenses for the Commission because there was uncertainty as to the language of the Atomic Energy Act. Last night there was filed a conference report on the atomic energy bill, which omitted a provision in the Senate bill transferring \$375,000,000 appropriated in the Military Appropriation Act for the Manhattan Engineering Project, and because the transfer of these funds is omitted in the conference report, we feel that it is necessary to transfer the appropriation for that project to the Atomic Energy Commission. The language which has been drafted here I believe would take care of it, and for that reason it would not be necessary to proceed with the item of \$750,000.

Mr. O'NEAL. This is based on the assumption that the conference report would be adopted.

Mr. TABER. They have a provision in there that provides that these funds should be available for 4 years, in the way the bill came from the Senate, and it stayed that way. There is no reason why that language should be applicable to this \$375,000,000 that was appropriated to the Army, is there? It just does not make sense.

Mr. STAATS. I would prefer to have Mr. Newman, of the OWMR, answer that question. He has been working more directly on this legislation than we have.

Mr. NEWMAN. I think, Mr. Taber, the basis for that estimate of a period of 4 years is that the commitments for this atomic energy necessary will be long-term commitments; most of the original ones are not short, and if they complete one they can go ahead with another. In other words, they cannot do this job until they finish the other, and that is the basic reason for carrying it over in a 4-year period.

Mr. CANNON. Thank you very much, gentlemen.

FRIDAY, JULY 26, 1946.

PROCUREMENT OF STRATEGIC AND CRITICAL MATERIALS

STATEMENTS OF HON. KENNETH C. ROYALL, UNDER SECRETARY OF WAR, ACCOMPANIED BY ADMIRAL R. W. PAINE, UNITED STATES NAVY; GEN. S. P. SPALDING, UNITED STATES ARMY; C. E. MACK, DIRECTOR OF PROCUREMENT; PAUL KING, DEPUTY DIRECTOR, PROCUREMENT DIVISION; LT. W. W. MILLER, UNITED STATES NAVAL RESERVE; CARL ROLLE, ARMY AND NAVY MUNITIONS BOARD; HARRY C. MAULL, JR., C. R. WOODSIDE, AND ALEXANDER J. DOYLE, PROCUREMENT DIVISION; AND GEORGE JONES, BUDGET OFFICER, TREASURY DEPARTMENT

Mr. CANNON. Mr. Secretary, we are just this minute, practically, in receipt of an unexpected estimate contained in House Document No. 748 for a quarter of a billion dollars for the purchase of strategic and critical materials in accordance with the authorization in the act of July 23, 1946—a rather substantial amount of money and

coming at the eleventh hour. We will be glad if you will give us a statement on it.

GENERAL STATEMENT

Mr. ROYALL. Well, that is known as the stock-piling bill which was signed by the President on the 27th.

Mr. CANNON. As I understand it, the President signed with reservations or, rather, with expressions of doubt.

Mr. ROYALL. His doubt was directed to one thing—the buy-American provision that is, the requirement that under certain conditions we have to buy everything we can in America. He thought that was an undesirable provision in this bill. I do not think that this should in any manner affect the passage of this particular appropriation.

Of course, the stock pile of materials, by its very name, indicates we want to acquire things usually which are not in abundance in the United States and the President's idea, as well as the idea of the War and Navy Departments and the State Department, was that there should not be any buy-American provision at all; that we should be free to buy wherever we have to buy it. However, that was inserted during the course of the legislation—I think inserted originally by the Senate. I am not sure about that.

Mr. CANNON. Yes; it originated in the Senate.

Mr. ROYALL. I know the bill originated in the Senate, but I think the buy-American provision came to you from the Senate. I believe that is correct. In any event, we thought we could get along with that provision, although we preferred not to have it.

The President said in his message, as I recall it, while he did not favor the provision, there were overriding reasons for getting this legislation now and getting it promptly, and that latter statement is the feeling of the War and Navy Departments. Of course, none of us want another war, and we all hope we won't have one, but we want to be prepared.

Mr. CANNON. What will be the character of this material?

Mr. ROYALL. This is material of various kinds. We have a specified list here.

Mr. CANNON. It is an accumulation solely with a view to preparation for war?

Mr. ROYALL. That is right. It is materials we need and do not have available normally in this country, in preparation for war.

NEED FOR APPROPRIATIONS AT PRESENT TIME

Mr. CANNON. If this money were made available, Mr. Secretary, when would you expect to get under way?

Mr. ROYALL. We would expect to get under way immediately with the contracting for delivery in the fiscal year 1947 and the first half of the fiscal year 1948. We have to buy it now, although some won't be delivered until early in the next fiscal year. This includes in about equal quantities materials which would be delivered in the fiscal year 1947 and materials which would be delivered early in the fiscal year 1948.

Mr. CANNON. All of the money, then, would not be necessarily expended?

Mr. ROYALL. It would have to be appropriated, though, in order for us to make the contracts.

Mr. CANNON. How much money do you estimate you would require for 1 full year's operation?

Mr. ROYALL. Well, we would require \$250,000,000 for 1 year's operations, because we have to make the contracts now in order to get the materials delivered within the 1½-year period.

Mr. CANNON. A month of the fiscal year has already gone by; now, you would not require the full quarter of a billion dollars for this fiscal year.

Mr. ROYALL. Yes, sir. This is really for deliveries over a 1½-year period. It is not as though it was an operating expense which was on a monthly basis, but these are the quantities we want to buy. The program for the stock-piling bill is a program to buy over the course of 5 years materials costing about \$1,800,000,000. That is the estimate of what the materials will cost, which would be an average of 360,000,000 a year. This is a 5-year program.

DISCUSSION OF VALUE OF STOCK PILE OF SURPLUS PROPERTY

Mr. CANNON. Well, you already have on hand \$300,000,000 worth of material.

Mr. ROYALL. No, sir; I do not know that that is correct. No one knows exactly the amount we have on hand. That is a top estimate of what we will receive as surplus property. I think the estimates run all the way from \$80,000,000 to \$300,000,000.

Mr. CANNON. I notice Colonel Rolle said on May 31, 1946, in testifying before this committee on the third deficiency appropriation bill,

We have estimated that the value of the material is in the neighborhood of \$300,000,000, the material to be turned over to the stock pile of surplus property.

Mr. ROYALL. Yes, sir; that is the surplus property estimate.

Mr. CANNON. Has that been turned over to you?

Mr. ROYALL. Not yet, sir.

Mr. CANNON. Have you received any of it?

Mr. ROYALL. Yes, sir; we have received some of it. I do not know the exact amount we have received.

Mr. CANNON. It is now in process of transfer?

Mr. ROYALL. Either that, or it will be transferred. That was taken into account when we made our estimate. We made an estimate that, in addition to what we would get from surplus property, we would need materials which would probably cost \$1,800,000,000.

Mr. CANNON. Eventually?

Mr. ROYALL. Over a 5-year period. And this year we asked for \$270,000,000 to cover purchases for delivery during this fiscal year and early in the next fiscal year. That was cut to \$250,000,000. We believe that is as little as we should purchase for the protection of this country.

Mr. CANNON. You do not believe, then, you can spend \$250,000,000 this year, but it must be available in order for you to contract?

Mr. ROYALL. We can obligate it this year.

Mr. CANNON. It will be committed this year, but will not be expended this year?

Mr. ROYALL. That is correct, sir. We estimate more than half of it will actually be paid out during this fiscal year, but we will have to have the appropriation in order to obligate.

INVENTORY OF MATERIAL TO BE PROCURED

Mr. CANNON. Mr. Secretary, you can give us an inventory of this material, what you expect to buy? It will not be included in the printed record, but I would like to have it for the benefit of the committee.

Mr. ROYALL. Yes, sir; we have that.

Mr. CANNON. Would this money be broken down by categories as to materials purchased?

Mr. ROYALL. You mean how much for each item?

Mr. CANNON. How much for each item and what items?

Mr. ROYALL. Do you want me to read that to you?

Mr. CANNON. Just give it in a general way. If it is very lengthy just give us the larger amounts.

Mr. ROYALL. Of course, this will not necessarily go into the record. (Discussion off the record.)

Mr. CANNON. This is the beginning of a program that will extend for how long?

Mr. ROYALL. Five years. We think it highly important that America at no time be without these materials. They were selected with the idea that if we should have an emergency, these were the items that we needed first. The selection was made with that principal objective largely in mind on some of the items.

The Army and Navy feel they should not be industrially unprepared at any time, and not now.

Mr. TABER. Two months ago you told us that you wanted about \$15,000,000 for the fiscal year 1947. Why is it that you are embarking on this new program all of a sudden and changing your mind?

Mr. ROYALL. This is not a change in my mind. I do not know what the \$15,000,000 was, except for operating expense.

Mr. TABER. No; it was for the purchase of materials.

Mr. ROYALL. I think processing.

Mr. TABER. Handling and purchasing things.

Mr. ROYALL. No, sir; I do not think so. I think it was merely processing because this program, to my knowledge—

Mr. TABER. How long has this been hanging?

Mr. ROYALL. This program has been under consideration, to my knowledge, for more than a year, and was presented to Congress 7 or 8 months ago.

Mr. TABER. Just 2 months ago Colonel Rolle and Mr. Mack were up here, on the 31st of May, and the proposal was then to rescind a block of this money that was available for this purpose. We rescinded it. It looks as though we are moving up and down. I do not understand that way of doing business.

Mr. ROYALL. I think you must have misunderstood it.

Mr. TABER. I do not think that we misunderstood anything.

Mr. ROYALL. There never has been but one program about this, certainly for over a year, and it has been considered by the executive departments and has been discussed with Congress for many months. It was a program for \$1,800,000,000 for stock-piling materials. The

processing costs and the operating costs for surplus materials are not included in this program.

This program is no different than before and there has been no change in it at all essentially in the last year. I do not think there has been any change preceding that, but I can speak myself for the past year. The matter first came to my attention when I was in the Army in August or September of 1945. The program then was exactly the same as it is now. The figures were substantially the same. There may have been some variations but only in a small degree. It was between \$1,000,000,000 and \$2,000,000,000 then, and \$1,800,000,000 has been the figure for many months.

Mr. TABER. I do not understand why you would be doing this, letting us rescind that money without any protest and then coming back here for more.

Mr. ROYALL. It was impossible to ask for these funds until the bill was passed. The bill was passed just a few days ago.

Mr. MACK. If I may explain Mr. Taber, our appearance before this committee on May 31 was to procure funds to enable the Procurement Division to carry out its responsibilities under section 22 of the Surplus Property Act of 1944 in connection with the processing, transportation, and handling of Government owned strategic minerals, metals, and materials either in process of being declared surplus or already declared surplus to the stock pile. We had no funds for the purpose and we sought permission to utilize the \$18,500,000 of the approximately \$22,000,000 still available for obligation under the Strategic and Critical Materials Act of 1939. When the item appeared in the Third Deficiency Appropriation Act the available funds were restricted to the handling of surplus stocks only, leaving the remainder unavailable for purchase.

IMPORT ITEMS

Mr. TABER. Which of these materials that you have listed here are import items and which ones are domestic? Take asbestos; is that domestic?

Mr. MACK. Asbestos is produced in Southern Rhodesia, the Union of South Africa, Canada, and Russia.

Mr. TABER. It would be an import proposition.

Mr. MACK. Yes, sir.

Mr. TABER. Is that in short supply at the moment?

Mr. MACK. That would be entirely an import proposition.

Mr. TABER. Is it in short supply in the country at the present time?

Mr. MACK. The Army and Navy Munitions Board have on the Board a member of the Civilian Production Administration, which representative checked each of these items to determine if the acquisition would be in conflict with the domestic need before the list was created, and it was approved.

Mr. TABER. You have bauxite down here. Is that in short supply here in this country, or is that plentiful?

Mr. MACK. On all of these items, generally speaking, they are in short supply so far as stock piling is concerned. That is the purpose of the stock piling.

NEED FOR CURRENT PROCUREMENT OF STRATEGIC AND CRITICAL MATERIALS

Mr. TABER. Why cannot we wait a little while and have an opportunity to buy them when they are in plentiful supply instead of making the shortages more acute?

Mr. MACK. As I just mentioned, there has been a clearance of this program by the Civilian Production Administration to determine whether or not any of these items in the quantities shown to be secured during the fiscal year 1947 would be in conflict with the domestic needs, and their answer, in substance, is that they could be obtained without conflict with commercial needs.

Mr. TABER. Unless there is a real need for these things and a need right away, does it make sense that we go out and buy these materials with this inflationary condition confronting the country? It is an inflationary operation.

Mr. ROYALL. I do not think so.

Mr. TABER. What else can it be?

Mr. ROYALL. As a matter of fact, if someone will guarantee that we will never have a war we do not need them.

Mr. TABER. Unless we are in need of these things right now, we ought not to be stockpiling them in large quantities.

Mr. ROYALL. We do not need any of them unless we have a war. We do not need the guns or the soldiers, either.

Mr. TABER. What is there in this list that could be required for a year or two for any particular reason? It would seem to me that we might better let these questions of supply catch up and not be paying the top price for everything. It seems to me we are inflating the market.

Mr. ROYALL. That is an argument. I do not know whether we are paying more or less now.

Mr. TABER. That is why I supposed you were down here. You are the one that has been in this thing and knows about it.

Mr. ROYALL. We cannot look into the future. We would not know whether it would cost more or less in the future. We have selected the items we think are most necessary for adequate preparation for an emergency, and we feel these materials could be purchased without disturbing the national economy, and the only safe course would be for this country to have these materials available.

Mr. TABER. Take pepper, for example. You cannot go into a grocery store today and buy it. That is an item that will be caught up with after a bit and the market will be eased. The market in rubber will be easy after a bit. You are not in too bad shape regarding diamonds. You have a very considerable quantity of those in storage. We were told the other day that you had some 3,000,000 carats valued at \$6,000,000 to \$8,000,000.

Mr. ROYALL. We are not buying any pepper for delivery before next year, as appears in this list here.

Mr. TABER. I am wondering if you really need this item at all right now.

Mr. ROYALL. We think we do, the Navy thinks it does, and the committee we have on this, that has representatives of the other departments on it, has advised with us that they think we do. The State Department thinks we do.

Mr. TABER. Who in the Navy says they need these items?

Admiral PAINE. Pepper is used for the preservation of meat. It is not being stock piled as a condiment. It is used in the preservation of meat when you are putting meat into cans. When you put meat into cans you have to have it prepared with this pepper base. It is used commercially right straight through.

Mr. TABER. I understand that. I wonder why we need to stock pile it when the pepper for the market is so short.

Admiral PAINE. You have given the reason for it right there. We should not be short on pepper right now. You could not get a pound of pepper at the end of the war, not a speck.

Mr. TABER. It does not make sense to me to stock pile it now and inflate the price.

Admiral PAINE. We place orders against the availability of the next year, and that is what the purpose of it is. You have to have the money available this year in order to accomplish that.

Mr. TABER. Are any of these other things in real need?

Admiral PAINE. Every item on this list, sir.

Mr. TABER. Is there any real intelligent reason why the Government should go into the market now for these things? I have not heard one yet, but if there is one I would like to hear it.

Admiral PAINE. May I repeat what the Under Secretary said just now—that the need for this stock pile is urgent in the near future? We should be in a position where we will not be caught absolutely short, and the sooner we get ourselves in a safe position the better off the country is going to be in the indeterminate future. None of us knows when an emergency is going to be precipitated, and had we been better prepared in stock piles we would have been better off in the last war. All we are trying to do now, and I believe Congress has gone along with the idea, is to build up within our own borders enough so that we can keep ourselves going for a decent length of time in case of a future emergency. That may come tomorrow.

Mr. WIGGLESWORTH. What other funds, if any, have the War Department available for this purchasing of stock pile materials?

Mr. ROYALL. None.

Mr. WIGGLESWORTH. In the \$7,000,000 000 that they are allowed for fiscal 1947, there is nothing in there contemplating that?

Mr. ROYALL. This is not a War Department appropriation, or War Department matter strictly. Mr. Deupree, the Chairman of the Board, unfortunately was not here, and I am the next senior member, so I came. It is an Army-Navy Munitions Board problem which has representation from the various departments. It was not included in the appropriations of any group.

Mr. WIGGLESWORTH. Either Army or Navy?

Mr. ROYALL. I am the Army member.

Mr. WIGGLESWORTH. There is no appropriation in either the Army or the Navy in the 1947 appropriation?

Mr. ROYALL. No, sir.

Mr. WIGGLESWORTH. Out of what fund have these materials been purchased in the past?

Mr. ROYALL. We have not purchased any, except with funds made available under the appropriations made in 1939 and 1940.

Mr. WIGGLESWORTH. You have purchased a lot of these materials on this list, have you not?

Mr. ROYALL. During the war, for current use, out of Army-Navy appropriations. The purpose of this stock pile bill is to provide a nucleus of materials that we would need in case of an emergency, and if we were attacked in such a way that we would have difficulty in securing them.

Mr. WIGGLESWORTH. Are you contemplating purchasing any for current use in the fiscal year 1947?

Mr. ROYALL. This does not include any for current use.

Mr. WIGGLESWORTH. Are you in fact purchasing for current use out of your Army or Navy appropriations for 1947?

Mr. ROYALL. Some of these same materials would go into items we have purchased. We are not purchasing the materials themselves. I do not suppose in any instance we are doing that. There may be a few. We are purchasing articles which have some of these materials in them.

Mr. WIGGLESWORTH. That is true of the Navy as well as the Army?

Mr. ROYALL. I am sure that it is, yes. We are not purchasing anything for stock piles. You asked for current use?

Mr. WIGGLESWORTH. Yes.

Mr. ROYALL. Some of these things go into items we have purchased for current use, of course.

Mr. RABAUT. Off the record.

(Discussion off the record.)

Mr. RABAUT. We thank you gentlemen very much.



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21 JUL 1961

Union Calendar No.

79TH CONGRESS
2D SESSION

H. J. RES. 390

[Report No.]

IN THE HOUSE OF REPRESENTATIVES

JULY 27, 1946

MR. CANNON of Missouri introduced the following joint resolution; which was referred to the Committee on Appropriations

JOINT RESOLUTION

Making additional appropriations for the fiscal year 1947, and
for other purposes.

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to provide
5 additional appropriations for the fiscal year ending June 30,
6 1947, and for other purposes, namely:

1 TITLE 1—GENERAL APPROPRIATIONS

2 LEGISLATIVE

3 HOUSE OF REPRESENTATIVES

4 Salaries and expenses, Office of the Clerk: Subject to
5 the approval of the chairman of the Committee on Accounts
6 (Committee on House Administration, if and when elected),
7 the Clerk of the House of Representatives is authorized,
8 until February 15, 1947, to incur such expenses for personal
9 services and for supplies and materials as may be neces-
10 sary to enable him to discharge the additional duties imposed
11 upon him by S. 2177, Seventy-ninth Congress, and to
12 charge such expenses to the contingent fund of the House:
13 *Provided*, That this authority is subject to the enactment
14 into law of such S. 2177.

15 EXECUTIVE OFFICE OF THE PRESIDENT

16 ARMED FORCES LEAVE PAYMENTS

17 Payments under the Armed Forces Leave Act of 1946:
18 For all expenses necessary to enable the President through
19 the Treasury, War, and Navy Departments to carry out the
20 provisions of the Armed Forces Leave Act of 1946, includ-
21 ing cash payments to members and former members of the
22 armed forces, payments to the Treasurer of the United
23 States of amounts representing the face value of bonds issued
24 to such servicemen, and administrative expenses until June
25 30, 1948, including printing and binding, penalty mail costs,

1 and personal services in the District of Columbia and else-
2 where without regard to section 14 (a) of the Federal
3 Employees Pay Act of 1946, \$2,431,708,000, to be avail-
4 able (except as to administrative expenses) until expended
5 and for allocation to said departments by transfer to and
6 merger with appropriations thereof or otherwise, in such
7 amounts respectively as may be determined by the Director
8 of the Bureau of the Budget.

9 ATOMIC ENERGY

10 Such part as the President may determine of the unex-
11 pended balances of appropriations, allocations, or other
12 funds available for expenditure in connection with the Man-
13 hattan Engineer District are hereby transferred to and shall
14 be available for allocation by the President to such agencies
15 as he may determine for expenditure for the purpose of carry-
16 ing out provisions of the Atomic Energy Act of 1946: *Pro-*
17 *vided*, That such appropriations shall be available for per-
18 sonal services in the District of Columbia and elsewhere
19 without regard to section 14 (a) of the Federal Employees
20 Pay Act of 1946.

21 COUNCIL OF ECONOMIC ADVISERS

22 Salaries and expenses: For all necessary expenses, fiscal
23 year 1947, of the Council of Economic Advisers in carrying
24 out its functions under the Employment Act of 1946 (Pub-
25 lie Law 304), including personal services in the District

1 of Columbia and elsewhere; temporary employment of per-
2 sons or organizations without regard to civil-service and
3 classification laws; acceptance and utilization of voluntary
4 and uncompensated services; lawbooks, books of reference,
5 newspapers, and periodicals; printing and binding; purchase
6 of one, and hire, maintenance, operation, and repair of
7 passenger automobiles; travel expenses, including expenses
8 of attendance at meetings or organizations concerned with
9 the work of this agency; and not to exceed \$8,000 for
10 deposit in the general fund of the Treasury for cost of
11 penalty mail as required by section 2 of the Act of June
12 28, 1944 (Public Law 364) ; \$275,000.

13

OFFICE OF PRICE ADMINISTRATION

14

Salaries and expenses: For an additional amount, fiscal
15 year 1947, for "Salaries and expenses", including the ob-
16 jects and subject to the conditions specified under this head
17 in the Third Deficiency Appropriation Act, 1946,
18 \$26,000,000.

19

OVERTIME, LEAVE, AND HOLIDAY COMPENSATION

20

Overtime, leave, and holiday compensation: To enable
21 the President through the departments and agencies con-
22 cerned to pay claims for overtime, leave, and holiday
23 compensation at night rates as certified under the provisions
24 of H. R. 6532, Seventy-ninth Congress, and subject to the
25 enactment of such bill, \$20,000,000, to be available until

1 expended for allocation to the departments and agencies
2 concerned in such amounts respectively as may be deter-
3 mined by the Director of the Bureau of the Budget.

4 INDEPENDENT OFFICES

5 FEDERAL WORKS AGENCY—PUBLIC ROADS

6 ADMINISTRATION

7 Damage claims: For the payment of claims for damage
8 to roads and highways under the Defense Highway Act
9 of 1941, as amended (23 U. S. C. 110), as follows: "The
10 Commissioner of Public Roads is authorized to reimburse
11 the several States for the necessary rehabilitation or repair
12 of roads and highways of States or their subdivisions sub-
13 stantially damaged by the Army or the Navy, or both, by
14 any other agency of the Government, and so forth", as fully
15 set forth in House Document Numbered 727, Seventy-ninth
16 Congress, \$21,012.64.

17 PRICE DECONTROL BOARD

18 Salaries and expenses: For all necessary expenses, fiscal
19 year 1947, of the Price Decontrol Board in carrying out
20 its functions under the Price Control Extension Act of
21 1946 and all other powers and duties and functions which
22 may be lawfully vested in the Price Decontrol Board, in-
23 cluding personal services in the District of Columbia and
24 elsewhere; temporary employment of persons or organiza-

1 tions by contract or otherwise without regard to civil-service
2 and classification laws; acceptance and utilization of voluntary
3 and uncompensated services; lawbooks, books of reference,
4 newspapers and periodicals; printing and binding; purchase
5 of one, and hire, maintenance, operation, and repair of pas-
6 senger automobiles; travel expenses, including expenses of
7 attendance at meetings or organizations concerned with the
8 work of the Board; and not to exceed \$5,000 for deposit in
9 the general fund of the Treasury for cost of penalty mail as
10 required by section 2 of the Act of June 28, 1944 (Public
11 Law 364) ; \$250,000.

12 DEPARTMENT OF COMMERCE

13 BUREAU OF FOREIGN AND DOMESTIC COMMERCE

14 Export control: For an additional amount, fiscal year
15 1947, for "Export control", including the objects specified
16 under this head in the Department of Commerce Appro-
17 priation Act, 1947, \$600,000.

18 DEPARTMENT OF STATE

19 INTERNATIONAL OBLIGATIONS

20 Philippine rehabilitation: The third proviso of the appro-
21 priation under this head contained in the Third Deficiency
22 Appropriation Act, 1946, hereby is corrected to read as
23 follows: "*Provided further*, That the Secretary of State, or
24 such official as he may designate, is authorized to transfer
25 from any of the foregoing amounts to any department or

1 independent establishment of the Government for participa-
2 tion in the foregoing programs, sums for expenditure by such
3 department or establishment for the purposes hereof, and
4 sums so transferred shall be available for expenditure in
5 accordance with the provisions hereof and, to the extent de-
6 termined by the Secretary of State, in accordance with the
7 law governing expenditures of the department or establish-
8 ment to which transferred: *Provided further*, That transfers
9 of funds to participating agencies for the programs set forth
10 in sections 302 to 305 of the Act shall be approved by the
11 President prior to such transfers:".

12 WAR DEPARTMENT

13 MILITARY ACTIVITIES

14 Military assistance, Philippines: Any or all of the appro-
15 priations of the Military Establishment for the fiscal year
16 1947 shall be available, in a total amount of not to exceed
17 \$19,750,000, for all expenses necessary to enable the
18 President through the War Department to carry out the
19 provisions of the Republic of the Philippines Military As-
20 sistance Act.

21 Atomic Service: The amount named in the last proviso
22 of the appropriation "Atomic Service", contained in the Mili-
23 tary Appropriation Act, 1947, may be increased to such an
24 amount as the President may approve, which shall be deter-
25 mined and communicated to the chairmen of the Committees

1 on Appropriations of the Senate and House of Representa-
2 tives, respectively, within thirty days after the enactment of
3 this Act.

4 CIVIL FUNCTIONS—SIGNAL CORPS

5 Alaska Communication System: For an additional
6 amount, fiscal year 1947, for "Alaska Communication
7 System", including the objects specified under this head in
8 the War Department Civil Appropriation Act, 1947,
9 \$200,000, to remain available until the close of the fiscal
10 year 1948.

11 TITLE II—JUDGMENTS AND AUTHORIZED
12 CLAIMS

13 PROPERTY DAMAGE CLAIMS

14 SEC. 201. For the payment of claims for damages to
15 or losses of privately owned property adjusted and deter-
16 mined by the following respective departments and inde-
17 pendent offices, under the provisions of the Act entitled
18 "An Act to provide a method for the settlement of claims
19 arising against the Government of the United States in
20 the sum not exceeding \$1,000 in any one case", approved
21 December 28, 1922 (31 U. S. C. 215), as fully set
22 forth in House Document Numbered 725, Seventy-ninth
23 Congress, as follows:

24 Federal Works Agency, \$136.15;

25 Department of Commerce, \$71.86;

1 Department of the Interior, \$905.26;

2 Treasury Department, \$312.30;

3 In all, \$1,425.57.

4 JUDGMENTS, UNITED STATES COURTS

5 SEC. 202. For the payment of final judgment, which
6 has been rendered under the provisions of the Act of March
7 3, 1887, entitled "An Act to provide for the bringing of
8 suits against the Government of the United States", as
9 amended by section 297 of the Act of March 3, 1911 (28
10 U. S. C. 761), and which has been certified to the Seventy-
11 ninth Congress in House Document Numbered 719, under
12 the following agency:

13 War Department, \$218.92, together with such addi-
14 tional sum as may be necessary to pay interest as and
15 where specified in the judgment, and such judgment shall
16 not be paid until the right of appeal has expired.

17 JUDGMENTS, UNITED STATES COURT OF CLAIMS

18 SEC. 203. (a) For payment of judgments rendered
19 by the Court of Claims and reported to the Seventy-ninth
20 Congress in House Document Numbered 726, under the fol-
21 lowing agencies, namely:

22 Federal Works Agency, \$49,000;

23 National Housing Agency:

24 Federal Public Housing Authority, \$8,829.05;

25 Treasury Department, \$12,909.42;

1 In all, \$70,738.47, together with such additional
2 amount as may be necessary to pay interest as and where
3 specified in the judgments;

4 (b) None of the judgments contained under this cap-
5 tion shall be paid until the right of appeal shall have ex-
6 pired except such as have become final and conclusive
7 against the United States by failure of the parties to appeal
8 or otherwise.

9 Payment of interest wherever provided for judgments
10 contained in this Act shall not in any case continue for more
11 than thirty days after the date of approval of this Act.

12 AUDITED CLAIMS

13 SEC. 204. For the payment of claims certified to be due
14 by the General Accounting Office under appropriations the
15 balances of which have been carried to the surplus fund
16 under the provisions of section 5 of the Act of June 20,
17 1874 (31 U. S. C. 713), and under appropriations hereto-
18 fore treated as permanent, being for the service of the fiscal
19 year 1944 and prior years, unless otherwise stated, and
20 which have been certified to Congress under section 2 of
21 the Act of July 7, 1884 (5 U. S. C. 266), as fully set forth
22 in House Document Numbered 728, Seventy-ninth Con-
23 gress, there is appropriated the sum of \$504,495.10, to-
24 gether with such additional sum due to increases in rates of
25 exchange as may be necessary to pay claims in the foreign

1 currency and interest as specified in certain of the settle-
2 ments of the General Accounting Office, to be disbursed
3 and accounted for as a single fund, and \$1,728.43 payable
4 from postal revenues; in all, \$506,223.53.

5 SEC. 205. For the payment of claims allowed by the
6 General Accounting Office pursuant to the Act entitled "An
7 Act granting travel pay and other allowances to certain
8 soldiers of the War with Spain and the Philippine Insur-
9 rection who were discharged in the Philippine Islands",
10 approved December 5, 1945 (Public Act Numbered 247,
11 Seventy-ninth Congress), and which have been certified to
12 the Seventy-ninth Congress under section 2 of the Act of
13 July 7, 1884 (5 U. S. C. 266), under the War Department
14 in House Document Numbered 724, \$30,591.32.

15 TITLE III—GENERAL PROVISIONS

16 SEC. 301. No part of any appropriation contained in
17 this Act shall be used to pay the salary or wages of any
18 person who engages in a strike against the Government of
19 the United States or who is a member of an organization of
20 Government employees that asserts the right to strike against
21 the Government of the United States, or who advocates, or
22 who is a member of an organization that advocates, the
23 overthrow of the Government of the United States by force
24 or violence: *Provided*, That for the purposes hereof an
25 affidavit shall be considered prima facie evidence that the

1 person making the affidavit has not contrary to the provisions
2 of this section engaged in a strike against the Government of
3 the United States, is not a member of an organization of
4 Government employees that asserts the right to strike against
5 the Government of the United States, or that such person
6 does not advocate, and is not a member of an organization
7 that advocates, the overthrow of the Government of the
8 United States by force or violence: *Provided further*, That
9 any person who engages in a strike against the Government
10 of the United States or who is a member of an organization
11 of Government employees that asserts the right to strike
12 against the Government of the United States, or who advo-
13 cates, or who is a member of an organization that advocates,
14 the overthrow of the Government of the United States by
15 force or violence and accepts employment the salary or wages
16 for which are paid from any appropriation in this Act shall
17 be guilty of a felony and, upon conviction, shall be fined
18 not more than \$1,000 or imprisoned for not more than one
19 year, or both: *Provided further*, That the above penalty
20 clause shall be in addition to, and not in substitution for,
21 any other provisions of existing law.

22 SEC. 302. This Act may be cited as the "First Supple-
23 mental Appropriation Act, 1947".



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Union Calendar No.

79TH CONGRESS
2^D SESSION

H. J. RES. 390

[Report No.]

JOINT RESOLUTION

Making additional appropriations for the fiscal
year 1947, and for other purposes.

By Mr. CANNON of Missouri

JULY 27, 1946

Referred to the Committee on Appropriations

17. FOREIGN RELATIONS. Passed without amendment H.R. 6646, to establish an office of Under Secretary of State for Economic Affairs (p. 10507). This bill will now be sent to the President.
18. REORGANIZATION. Passed without amendment S. 2456, to provide for the reestablishment of the U.S. Employees' Compensation Commission with the same functions it had prior to the effective date of Reorganization Plan 2 (pp. 10510-1).
19. FISHERIES. Passed without amendment S. 2318, for the conservation of the fishery resources of the Columbia River (p. 10513).
20. R.F.C. Concurred in House amendments to S.J.Res. 156, to extend the succession, lending powers, and the functions of the Reconstruction Finance Corporation until June 30, 1947 (p. 10516). This measure will now be sent to the President.
21. LIMITATIONS STATUTE. Passed with amendments H.R. 2788, to limit to three years the time during which action may be brought for recovery of wages, penalties, or other damages pursuant to any U.S. law and for which a specific statute of limitations has not been provided (pp. 10516-7).
22. DAIRY INDUSTRY. Passed without amendment S. 2479, to amend the act to regulate within D.C. the sale of milk, cream, etc., so as to clarify the term "pasteurize" (p. 10523).

HOUSE

23. APPROPRIATIONS. The Appropriations Committee reported without amendment H.J.Res. 390, making appropriations for OPA, Price Control Board, and payment of enlisted men's terminal leave (H.R. t. 2694) (pp. 10535, 10553).
24. WATER POLLUTION. Rep. Angell, Oreg., spoke urging action to control the pollution of U.S. streams and rivers (pp. 10541-2).
25. PATENTS. Areed to the conference report on H.R. 5223, to extend temporarily the time for filing applications for patents, for taking action in the U.S. Patent Office with respect thereto, and for preventing proof of acts with respect to making of an invention (p. 10551).
26. HEALTH. Received the conference report on S. 191, the hospital-construction bill (pp. 10545-9).
27. SMALL BUSINESS. Received from Commerce Department a report of the functions relating to the Smaller War Plants Corporation for April and May 1946. To Banking and Currency Committee. (p. 10553.)
28. STRATEGIC MATERIALS. Received from the President (July 26) a supplemental appropriation estimate for the Treasury Department of \$250,000,000 for carrying into effect Public Law 520, 79th Cong., the Strategic and Critical Materials Stockpiling Act (H.Doc. 748).

ITEMS IN APPENDIX

29. FLOOD CONTROL. Speech in the House by Rep. Howell, Ill., opposing the present plan of the Chief of Engineers for flood-control work on the Illinois River and urging the adoption of a compromise plan acceptable to the people in the area (pp. A4793-4).

- Rep. Schwabe, Okla., inserted an Okla. State Highway Commission resolution opposing the policy of requiring States to bear the financial burden of relocating highways in connection with Federal flood-control projects (p. A4819).
30. FARM MACHINERY. Speech in the House by Rep. Johnson, Ill., opposing the proposal of UNRRA to ship farm tractors to European countries (p. A4796-7).
31. CONGRESSIONAL REORGANIZATION. Rep. Menroncy, Okla., inserted N.Y. Times and N.Y. Herald Tribune editorials favoring the recently-passed congressional-reorganization bill (p. A4795).
- Rep. Dirksen, Ill., inserted various newspaper editorials favoring the congressional-reorganization bill (pp. A4802-4).
32. MINIMUM WAGES. Extension of remarks of Rep. Biemiller, Wis., urging passage of legislation to raise the minimum wage to 65¢ (p. A4807).
33. RECLAMATION. Extension of remarks of Rep. Dworshak, Idaho, favoring the completion of the Minidoka reclamation project, Idaho (pp. A4800-1).
34. FOREIGN RELIEF. Rep. Bender, Ohio, inserted Paul Bellamy's (editor, Cleveland Plain Dealer) article pointing out the need for food relief for Germany (p. A4809).
35. DAIRY INDUSTRY. Extension of remarks of Rep. Stefan, Nebr., criticizing the stand of CIO economists on dairy prices (pp. A4812-3).
36. GRAIN. Extension of remarks of Rep. Stefan, Nebr., calling attention to the decline in the grain market and criticizing buyers' strikes against farm products (p. A4813).
37. SURPLUS PROPERTY. Rep. Schwabe, Okla., inserted a veteran's letter of complaint on policies of the WAA in disposing of surplus property (p. A4815).
38. HEALTH. Rep. Andresen, Minn., inserted Dr. Wm. F. Braasch's article opposing the proposed Wagner-Murray-Dingell compulsory national health insurance plan (pp. A4798-9).
39. PRICE CONTROL. Rep. Voorhis, Calif., inserted a table showing citrus-fruit prices at major markets and urged that controls be not placed on commodities where prices have remained stable (p. A4799).
- Extension of remarks of Rep. Shafer, Mich., opposing the continuation of price control (pp. A4806-7).
- Sen. Wiley, Wis., inserted his recent radio address opposing the continuation of price control (pp. A4808-9).
- Extension of remarks of Rep. Schwabe, Okla., opposing the continuation of price control (p. A4820).

BILLS APPROVED BY THE PRESIDENT

40. PERSONNEL. H.R. 3492, to amend the Civil Service Retirement Act so as to prohibit withholding or recovery of moneys on account of certification or payment by a former Federal employee unless there is shown to have been fraud on the part of the employee. Approved July 27 (Public Law 555, 79th Cong.).
- H.R. 6673, to amend the Civil Service Retirement Act so as to preclude a Federal employee from receiving, at the same time, an annuity under that Act and compensation for injury or disability under the Employees' Compensation Act. Approved July 27 (Public Law 557, 79th Cong.).

House of Representatives

MONDAY, JULY 29, 1946

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who art the Lord God omnipotent, reverently we are again invoking Thy blessing, praying that when we are challenged by great issues and perplexing problems we may continue to be brave of heart, assured that, if we will only make a more courageous adventure of faith, we shall be gloriously triumphant.

Help us to cleave with fond affection to the assurance that Thou canst lead us to the high levels of victory and peace, releasing us from all fears and anxieties, and from the terror of frustration and futility and defeatism.

Hasten the day when the earth shall no longer be cursed by cruelty, blasted by injustice, blighted by selfishness, and darkened by hatred, but when the heart of mankind shall be illumined by the spirit of the Master and all shall have the faith, the courage, and the humility to follow where He leads.

In His name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of Saturday, July 27, 1946, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On July 26, 1946:

H. R. 1322. An act for the relief of the Marine Engine Works & Shipbuilding Corp., of Tarpon Springs, Fla.;

H. R. 1673. An act for the relief of the Superior Coach Corp.;

H. R. 5112. An act to authorize the city of Anchorage, Alaska, to issue bonds in a sum not to exceed \$5,000,000 for the purpose of constructing, reconstructing, improving, extending, bettering, repairing, equipping, or acquiring public works of a permanent character, and to provide for the payment thereof, and for other purposes;

H. R. 5338. An act for the relief of Walter J. Barnes Electric Co. and Maritime Electric Co., Inc.;

H. R. 5640. An act to reestablish the status of funds of the midshipmen's store, barber shop, cobbler shop, and tailor shop at the United States Naval Academy, and for other purposes;

H. R. 5792. An act for the relief of certain postmasters;

H. R. 5840. An act to authorize an exchange of land in Eagle County, Colo.;

H. R. 5958. An act to amend the Agricultural Adjustment Act of 1938, as amended; and

H. R. 6739. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1947, and for other purposes.

On July 27, 1946:

H. R. 1754. An act for the relief of Edwin Doyle Parrish;

H. R. 2130. An act for the relief of Daniel S. Bagley, Jr., and Daniel S. Bagley, Sr.;

H. R. 3455. An act for the relief of Chatham M. Towers;

H. R. 3492. An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended;

H. R. 3623. An act for the relief of William A. Pixley;

H. R. 3988. An act for the relief of Decatur County in the State of Indiana;

H. R. 5025. An act for the relief of Mrs. Opal Riley and Robert R. Riley;

H. R. 6673. An act to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended;

H. R. 6689. An act to extend for an additional year, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar; and

H. J. Res. 321. Joint resolution to authorize the making of settlement on account of certain currency destroyed at Fort Mills, Philippine Islands, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6836. An act to establish and provide for the maintenance and operation of a Veterans' Canteen Service in the Veterans' Administration and for other purposes.

The message also announced that the Senate had passed a bill and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2147. An act for the relief of Howard A. Yeager; and

S. J. Res. 166. Joint resolution to amend section 3126 of the Internal Revenue Code, as amended, and for other purposes.

ADDITIONAL APPROPRIATIONS FOR THE FISCAL YEAR 1947

Mr. CANNON of Missouri, from the Committee on Appropriations, reported the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year 1947, and for other purposes (Rept. No. 2694), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. WIGGLESWORTH reserved all points of order.

CORRECTION OF RECORD

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to correct the RECORD. On page 10445, first column, be-

tween lines 21 and 22, my name should be inserted so as to indicate the remarks following are mine, not those of the gentleman from California [Mr. HINSHAW].

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

CORRECTION OF ROLL CALL

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to correct Roll Call No. 247 to show that I voted "yea."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. DIRKSEN asked and was given permission to extend his remarks in the RECORD and include clippings.

Mr. ABERNETHY asked and was given permission to extend his remarks in the RECORD and include an editorial from the Jackson (Miss.) Daily News.

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks in the RECORD on the subject of cars for amputees.

Mr. GRANGER asked and was given permission to extend his remarks in the RECORD.

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. KEARNEY asked and was given permission to extend his remarks in the RECORD and include an article from the Washington Post.

Mr. DWORSHAK asked and was given permission to extend his remarks in the RECORD.

Mr. GAVIN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an article from the New York World-Telegram of Saturday which stated that Oscar L. Chapman, Under Secretary of the Interior, reveals the secret of how the Government got into the rum business.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD in three instances and include excerpts.

Mr. ARENDS asked and was given permission to extend his remarks in the RECORD and include a radio interview in which the gentleman from Massachusetts [Mr. WIGGLESWORTH] participated.

Mr. KNUTSON asked and was given permission to extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. JOHNSON of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. JOHNSON of Illinois addressed the House. His remarks appear in the Appendix of today's RECORD.]

Mr. HOWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. HOWELL addressed the House. His remarks appear in the Appendix of today's RECORD.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include as a part of them a petition with two thousand names asking for the passage of the so-called amputee-paraplegic bill and also to include a letter from Marshall Field.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix of today's RECORD.]

CORRECTION OF THE RECORD

Mrs. LUCE. Mr. Speaker, on page 10437 of the CONGRESSIONAL RECORD of Saturday, there is a clerical error. I am quoted as saying, "My father-in-law and the gentleman's colleague in this House died of cancer." I ask unanimous consent that the permanent RECORD be corrected to read, "My stepfather and your colleague, Dr. Albert E. Austin, died of cancer."

The SPEAKER. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

Mr. PHILLIPS. Mr. Speaker, the CONGRESSIONAL RECORD of Saturday, July 27, shows, at two separate places, that I commented upon bills then before the House. The transcript of the official reporter was not shown to me and consequently I had no opportunity to correct the statements before they were printed. I ask unanimous consent now that the necessary corrections may be made in the permanent RECORD, as follows: On page 10417 of the RECORD of July 27, at the bottom of the second column, I would like the statement rewritten, to read as follows:

Mr. PHILLIPS. This bill makes no change, in the commodities affected by the act, except that it adds almonds to the list. It does however make three small but important changes in the act. At the present time, when any commodity covered by a marketing agreement reaches a point, in production, where the agreement is no longer necessary, it is suspended by an order from the Secre-

tary of Agriculture. Under many of the marketing agreements, standardization measures have been put into effect, concerning ripeness, quality, or the like. It is desirable to maintain these standards, even if the marketing agreement is suspended. The new bill permits that.

The new bill would also permit contributions to be continued, to cover the necessary expenses of the marketing organization, and particularly to cover any commodity advertising which the producers may have approved.

These are noncontroversial amendments. The controversial amendments in the bill were all removed by agreement before the bill reached the floor, and these changes in the bill are covered by the amendment introduced by the gentleman from Minnesota [Mr. ANDRESEN]. I hope the bill will go through, because it is very urgently necessary if we are to continue the constructive details of existing marketing agreements. At the present time, the Secretary of Agriculture is holding up an order, for the suspension of one agreement, which otherwise would have to go through and destroy the details of the program now in force, which the producers wish to continue.

On page 10433 of the July 27 RECORD, in the third column, in connection with my comments on H. R. 7101, the words "Department of Agriculture" were omitted and this can be corrected by striking out the words "Secretary of" beginning on the fifth line of the statement, and inserting in lieu thereof the words, "Department of Agriculture."

I ask that these two corrections be made in the permanent RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day, and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mrs. LUCE asked and was given permission to extend her remarks in the RECORD in three instances.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include a copy of a letter he addressed to the editor of the Aberdeen American-News.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. GEARHART asked and was given permission to extend his remarks in the RECORD in three instances and include in each extraneous matter.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances and include in each an address delivered by Frank Gannett.

Mr. CHIPERFIELD asked and was given permission to extend his remarks in the RECORD in two instances and include excerpts in each.

Mr. BREHM asked and was given permission to extend his remarks in the RECORD.

Mr. BUCK (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD in two instances.

PERMISSION TO ADDRESS THE HOUSE

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to revise and extend my remarks and include a copy of a bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. WEICHEL addressed the House. His remarks appear in the Appendix of today's RECORD.]

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include certain tables.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. VOORHIS of California addressed the House. His remarks appear in the Appendix of today's RECORD.]

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SAVAGE. Mr. Speaker, I see where the Republicans are going to lower the taxes, and at the same time balance the Budget. I guess they must think they are magicians. I do not believe that, and I do not think the public generally does. If they are going to balance the Budget they have to maintain the taxes. So I just hope they do not insist on telling the innocent people that they can lower the taxes 20 percent, and at the same time make payments on the national debt.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SAVAGE. I yield to the gentleman from Pennsylvania.

Mr. RICH. When Andrew Mellon was Secretary of the Treasury they did that very thing, and they can do it again, because they will stop a lot of this boondoggling and a lot of this unnecessary spending. That is the way they will do it.

Mr. SAVAGE. When the Republicans take all these services away from the people, and stop distribution of purchasing power, then we will go into another depression more vicious than the last one they got us into because of their lack of

To Mr. BUCKLEY (at the request of Mr. LYNCH), for July 29, on account of official business.

To Mr. CLIPPINGER (at the request of Mr. MARTIN), for 2 days, on account of ill health.

SENATE BILLS AND A JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2147. An act for the relief of Howard A. Yeager; to the Committee on Claims.

S. 2480. An act authorizing the appointment of Robert Sprague Beightler as permanent brigadier general of the line of the Regular Army; to the Committee on Military Affairs.

S. J. Res. 166. Joint resolution to amend section 3126 of the Internal Revenue Code, as amended, and for other purposes; to the Committee on Ways and Means.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1547. An act to provide for the disposition of vessels, trophies, relics, and material of historical interest by the Secretary of the Navy, and for other purposes;

S. 1717. An act for the development and control of atomic energy; and

S. 2177. An act to provide for increased efficiency in the legislative branch of the Government.

PROCEEDINGS AGAINST GEORGE MARSHALL

The SPEAKER. The Clerk will continue reading the privileged report.

The Clerk read as follows:

of which the Honorable JOHN S. WOODS is chairman, and to bring with you all books, records, documents, and correspondence—

CALL OF THE HOUSE

Mr. DE LACY. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. RANKIN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 255]

Adams	Buck	Dawson
Allen, La.	Buckley	Delaney,
Almond	Bunker	John J.
Andersen,	Butler	Dixsen
H. Carl	Byrne, N. Y.	Dolliver
Anderson,	Camp	Domengeaux
Calif.	Cannon, Fla.	Douglas, Ill.
Andrews, N. Y.	Carlson	Durham
Arends	Case, N. J.	Earthman
Baldwin, Md.	Case, S. Dak.	Eaton
Baldwin, N. Y.	Church	Elsaesser
Barrett, Pa.	Clark	Elston
Barry	Clason	Engel, Mich.
Bates, Ky.	Clements	Feighan
Bates, Mass.	Clippingier	Fellows
Beckworth	Cochran	Flood
Bender	Cole, Kans.	Fogarty
Bennet, N. Y.	Cole, N. Y.	Fuller
Blackney	Combs	Gallagher
Bland	Cooley	Gary
Bloom	Cooper	Gathings
Boien	Courtney	Gibson
Boykin	Cox	Gifford
Bradley, Mich.	Cravens	Gillespie
Bradley, Pa.	Crawford	Gossett
Brooks	Curley	Granger
Brumbaugh	Daughton, Va.	Grant, Ind.
Bryson	Davis	Green

Gregory	Larcade	Rayfiel
Griffiths	Lea	Reece, Tenn.
Hale	LeFevre	Richards
Hall	Ludlow	Robertson, Va.
Edwin Arthur	McConnell	Robinson, Utah
Halleck	McCormack	Robson, Ky.
Hand	McGehee	Rockwell
Hare	McGlinchey	Roe, N. Y.
Harless, Ariz.	McGregor	Rogers, N. Y.
Harness, Ind.	McKenzie	Russell
Harris	McMillan, S. C.	Ryter
Hart	Mahon	Sabath
Hartley	Maloney	Shafer
Hébert	Mankin	Sheridan
Heffernan	Mansfield,	Short
Hendricks	Mont.	Sikes
Henry	Mansfield, Tex.	Slaughter
Hess	May	Somers, N. Y.
Hill	Miller, Calif.	Sparkman
Hoeven	Miller, Nebr.	Stewart
Hoffman, Pa.	Morgan	Sumner, Ill.
Hollifield	Morrison	Summers, Tex.
Horan	Murdock	Tabor
Izac	Murray, Tenn.	Tarver
Jennings	Norton	Taylor
Johnson, Calif.	O'Konski	Thomas, N. J.
Johnson, Okla.	O'Neal	Thomason
Johnson, Tex.	O'Toole	Tolan
Jones	Outland	Torrens
Jonkman	Patrick	Towe
Kean	Patterson	Vorys, Ohio
Kee	Peterson, Ga.	Wasielewski
Keefe	Pfeifer	Weaver
Kefauver	Philbin	Welch
Keogh	Ploeser	West
Kerr	Plumley	White
Kilburn	Powell	Wickersham
Kilgay	Priest	Winter
Landis	Rabin	Wolfenden, Pa.
Lane	Rains	Wood

The SPEAKER. On this roll call, 231 Members have answered to their names, a quorum.

Mr. DE LACY. Mr. Speaker, I object to dispensing with further proceedings under the call.

The SPEAKER. That motion has not yet been made.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. If a motion is not made to dispense with further proceedings under the call, we just sit here; is that right?

The SPEAKER. Until the absent Members come in and respond.

Mr. RANKIN. Mr. Speaker, I move to dispense with further proceedings under the call.

The question was taken; and on a division (demanded by Mr. DE LACY) there were—ayes 85, noes 19.

Mr. DE LACY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

ADJOURNMENT

Mr. ABERNETHY. Mr. Speaker, I move that the House do now adjourn.

Mr. MARCANTONIO. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The motion was agreed to; accordingly (at 4 o'clock and 25 minutes p. m.) the House adjourned until tomorrow, Tuesday, July 30, 1946, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1506. A letter from the Acting Secretary of State, transmitting a draft of a proposed bill to authorize the President to appoint Lt. Comdr. Paul A. Smith as United States representative to the Interim Council of the

Provisional International Civil Aviation Organization (or as alternate to the United States representatives) without affecting his status and perquisites as an officer of the Coast and Geodetic Survey; to the Committee on the Merchant Marine and Fisheries.

1507. A letter from the Secretary of Commerce, transmitting a report on the activities of the Department of Commerce related to those functions previously carried out by the Smaller War Plants Corporation and transferred to the Department of Commerce. This report covers the months of April and May 1946 and is the second report submitted under the provisions of Executive Order 9665; to the Committee on Banking and Currency.

1508. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to extend dependency benefits to dependents of enlisted personnel of the armed forces who enlist or reenlist prior to July 1, 1949; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. House Joint Resolution 390. Joint resolution making additional appropriations for the fiscal year 1947, and for other purposes; without amendment (Rept. No. 2694). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 7053. A bill to amend the act entitled "An act to prohibit the unauthorized wearing, manufacture, or sale of medals and badges awarded by the War Department," as amended; with amendments (Rept. No. 2698). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LEA:

H. R. 7194. A bill to amend certain provisions of the Securities Act of 1933, section 77 (f) of the Bankruptcy Act, and the Securities Exchange Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. WEICHEL:

H. R. 7195. A bill to authorize a special investigation, examination, and complete audit of the Maritime Commission and the War Shipping Administration by the Comptroller General; to the Committee on Expenditures in the Executive Departments.

By Mr. BLAND:

H. R. 7196. A bill to authorize the acquisition of land for addition to the Fredericksburg National Cemetery; to the Committee on Military Affairs.

By Mr. BLOOM:

H. R. 7197. A bill to authorize the President to appoint Lt. Comdr. Paul A. Smith as United States representative to the Interim Council of the Provisional International Civil Aviation Organization, or as alternate to the United States representative, without affecting his status and perquisites as an officer of the Coast and Geodetic Survey; to the Committee on the Merchant Marine and Fisheries.

By Mr. JENKINS:

H. R. 7198. A bill to fix the rate of tax under the Federal Insurance Contributions Act on employers and employees for the calendar year 1947; to the Committee on Ways and Means.

By Mr. ROBERTSON of North Dakota: H. Con. Res. 166. Concurrent resolution to authorize the Joint Committee on Internal

Revenue Taxation to secure from the Treasury Department, and any other department of the Government involved in studies of taxation, a comprehensive summary of these studies and conclusions and file such summary with the Clerk of the House of Representatives and Secretary of the Senate; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Georgia:

H. R. 7199. A bill for the relief of Mr. and Mrs. Andrew Evans; to the Committee on Claims.

By Mr. HAGEN:

H. R. 7200. A bill for the relief of Floyd A. Fisher; to the Committee on Claims.

By Mr. O'BRIEN of Michigan:

H. R. 7201. A bill for the relief of Mary

Ftinogianis; to the Committee on Immigration and Naturalization.

By Mr. RESA:

H. R. 7202. A bill for the relief of Mrs. Flora Baruck; to the Committee on Claims.

By Mr. TOLAN:

H. R. 7203. A bill to provide for settling certain indebtedness connected with Pershing Hall, a memorial in Paris, France; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2133. By Mr. LYNCH: Petition of Bronx County Organization, American Legion (Captain Edward L. Grant Post, No. 1225), in regard to Halloran Hospital, New York; to the Committee on World War Veterans' Legislation.

2134. Also, petition of Bronx County Organization, American Legion, urging termination of provision in Economy Act of March 20, 1933, limiting compensation of hospitalized veterans to \$20 per month; to the Committee on World War Veterans' Legislation.

2135. By Mr. VORYS of Ohio: Petition of 18 persons for redress of alleged grievances; to the Committee on the Judiciary.

2136. By the SPEAKER: Petition of the Federation of the Employees of the Insular Government of Puerto Rico, petitioning consideration of their resolution with reference to expressing satisfaction on the appointment of Jesús T. Piñero as regular Governor of the island; to the Committee on Insular Affairs.

2137. Also, petition of the Board of Supervisors of the County of Los Angeles, petitioning consideration of their resolution with reference to endorsement of legislation to prohibit gambling vessels off the coast of California; to the Committee on the Judiciary.

ADDITIONAL APPROPRIATIONS, FISCAL YEAR 1947, FOR SUNDRY PURPOSES

JULY 29, 1946.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. CANNON of Missouri, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H. J. Res. 390]

The Committee on Appropriations, to whom was referred the joint resolution (H. J. Res. 390) entitled "Joint resolution making additional appropriations for the fiscal year 1947, and for other purposes," reports the measure with a favorable recommendation for its early consideration and passage by the House.

The appropriations proposed in the joint resolution are based upon estimates contained in House Documents Nos. 712, 715-717, 719-728, 747, and 748 of the present session.

The estimates of appropriations considered by the committee aggregate-----	\$2, 978, 363, 210. 45
The appropriations proposed by the committee aggregate-----	2, 479, 663, 210. 45
Or a reduction of-----	498, 700, 000. 00

An itemization of the foregoing begins on page 6 hereof.

Of the total of the appropriations proposed, 98 percent, or \$2,431,708,000, is occasioned by the Armed Forces Leave Act of 1946. Of the remaining \$47,955,210.45, \$46,000,000 is in two items, namely, Office of Price Administration, and overtime, leave, and holiday

compensation, which latter is a matter of \$20,000,000, and ensues from legislation just passed (H. R. 6532) and awaiting the President's signature. The residue is distributed among several items, but chiefly is for the payment of judgments and authorized claims and for more effectively implementing export control functions which the Congress recently decreed should be continued for another year (Public Law 389, approved May 23, 1946).

ARMED FORCES LEAVE ACT OF 1946

As previously indicated, the major item of appropriation in the accompanying measure ensues from the legislation about to become law, which has for its main purpose the equalization of laws and regulations governing leave privileges of officers and enlisted men of the armed forces. In order to provide this equalization retroactively to the beginning of the limited national emergency (September 8, 1939), the legislation provides for payment in cash and nonnegotiable bonds to enlisted men for unused furlough credit accrued under the terms of the legislation during their service. The whole cost has been estimated to be \$2,679,493,000, and the committee considered an estimate of appropriation in that amount. The testimony discloses that \$247,785,000 would not be required for expenditure until the fiscal year 1948, and the appropriation proposed, therefore, is for fiscal year 1947 disbursing needs. The estimate contemplates payments to beneficiaries of the law in the amount of \$2,658,658,000, and an administrative expense of \$20,835,000.

It should be made clear that the estimate of the whole cost is purely an estimate. It was stated to the committee that it is utterly impossible to state accurately how much will be paid to veterans, since exact figures as to amounts of furlough taken during active service are not available.

The whole cost, as now projected, is distributed as follows:

War Department.....	\$1, 883, 068, 000
Navy Department.....	736, 130, 000
Treasury Department.....	60, 205, 000

ATOMIC ENERGY

The committee had before it an estimate of \$750,000 for salaries and expenses of the Atomic Energy Commission, which was prepared in the Bureau of the Budget to cover the initial expenses of the Commission after a careful review of the pertinent provisions of S. 1717 concerning the organization of the Commission. The estimate later was withdrawn and it has been proposed to the committee by the Bureau of the Budget that the accompanying measure incorporate a provision making the funds of the Manhattan engineer district available in an amount to be determined by the President for all purposes of the Atomic Energy Act of 1946. The accompanying measure includes the proposed substitute, which dispenses with the need for a direct appropriation.

/ COUNCIL OF ECONOMIC ADVISERS

The committee is proposing \$275,000 of the Budget estimate of \$375,000 for salaries and expenses of the Council of Economic Advisers,

created by Public Law 304, Seventy-ninth Congress, approved February 20, 1946. This would be the first appropriation for the Council, and it is felt that the amount proposed should be adequate, since a month of the fiscal year has passed and further time will be lost in organizing and staffing and working out procedures.

OFFICE OF PRICE ADMINISTRATION

The committee is recommending, in agreement with the Budget estimate, an additional appropriation of \$26,000,000. The original estimate of appropriation for this activity was presented on June 11, 1946. The amount was \$142,200,000. At that time continuing legislation was pending. Money needs could not be foretold. The committee, therefore, reduced the estimate to \$106,650,000, with the thought that such amount would be adequate to support the activity under any continuing legislation until the Congress would have opportunity to provide supplemental funds, if necessary, after December next. It coupled with its proposal a requirement that the Bureau of the Budget should reshape expenditure programs to fit the provisions of the continuing legislation within 30 days after the enactment thereof, if enacted, and to publish its revision in the Federal Register.

The House followed the committee's recommendation, but the Senate reduced the amount proposed by the House from \$106,650,000 to \$56,650,000. In conference, agreement was reached upon an appropriation of \$75,000,000, with a view to later supplementation, and that is the amount included in the Third Deficiency Appropriation Act, 1946. The committee now is advised that the agency will not be able to function as contemplated by the continuing legislation within the appropriation heretofore made in the interim between July 1, 1946, and the time it would be practicable to provide a supplemental appropriation after next December. To carry it up to February 15, it estimates that it must have an additional appropriation of \$26,000,000, or a total for the 7½ month period of \$101,000,000. The committee's further study of the matter has convinced it that the agency is right, and that it would not be able efficiently or effectively to discharge its duties under the continuing legislation between now and the time the next Congress might be expected to provide a supplemental appropriation, unless this additional appropriation is now made. It contemplates an expenditure rate that would make appropriation requirements for the whole of the fiscal year approximately \$4,200,000 less than the original estimate presented in late June.

OVERTIME, LEAVE, AND HOLIDAY COMPENSATION

An appropriation of \$20,000,000 is proposed under this head in conformity with the Budget estimate, which has been presented in consequence of the bill (H. R. 6532) to provide a method for payment in certain Government establishments of overtime, leave, and holiday compensation on the basis of night rates pursuant to certain decisions of the Comptroller General, and for other purposes. This measure is now awaiting the approval of the President. It was advocated by the Comptroller General, and provides a safe and effective way of settling approximately 1,000,000 claims at an estimated saving to the General Accounting Office of \$4,000,000.

PRICE DECONTROL BOARD

The Price Control Extension Act of 1946 establishes as an independent agency in the executive branch of the Government a Price Decontrol Board, to be composed of three members. The committee is recommending the Budget estimate of \$250,000 for salaries and expenses of the Board. The following is quoted from the estimate document:

"An adequate staff will be required to enable the Board to effectively and expeditiously discharge its responsibilities under the act. Heavy work load is anticipated in connection with hearings and analyses of petitions for the decontrol of nonagricultural commodities and for studies to determine the necessity for the recontrol of certain agricultural commodities. While the act would allow the Board to utilize other agencies to assist in carrying out its functions, the apparent intent of Congress that the Board be in a position to exercise independent judgment requires that the Board have funds to employ its own personnel.

"No final estimate of the appropriation requirements of the Board can be made until the Board has been appointed and has had time to give consideration to its needs. The prospective early adjournment of Congress will not allow the development of such an estimate. It is essential, however, that the Board have funds immediately upon its appointment.

"The estimate submitted herewith has been developed in the Bureau of the Budget and is based on the best information available as to what the Board's work will require. It would provide \$200,000 for the employment of approximately 40 people in addition to the Board members and the secretary to the Board, and \$50,000 for expenses of the Board other than personal services. I believe that this estimate will make adequate provision for the Board at least until the new Congress convenes. Whether it will provide for a full year's operation is impossible to say at this time."

DEPARTMENT OF COMMERCE—EXPORT CONTROL

The Department of Commerce Appropriation Act, 1947, includes an appropriation of \$500,000 for expenses incident to the control by licensing of the exportation from the United States of commodities in short supply. The committee considered an estimate for and is recommending an additional appropriation of \$600,000. The need for extending export controls to additional commodities has become critical and the volume of applications for licenses has greatly exceeded earlier estimates. The work has so expanded that the original appropriation, if employed effectively, would become exhausted before the end of the calendar year, which has become a matter of great concern to the Housing Expediter, who has advised the committee that—

Among the important steps which are being taken to increase the supply of materials needed for the construction of houses for veterans is the program, worked

out with the cooperation of the Office of International Trade in the Department of Commerce, to place under export licensing control all critically short housing items which normally have entered into export trade. If export licensing control were to be terminated toward the end of this year, we may face a further and unexpected drain upon our supply of building materials.

TREASURY DEPARTMENT

STRATEGIC AND CRITICAL MATERIALS (ACT JULY 23, 1946)

The committee has deferred for consideration later in the fiscal year an estimate of appropriation of \$250,000,000 for procuring strategic and critical materials to augment the present considerable reserve of such materials for industrial, military, and naval needs in ease of war or threatened war.

Present reserves are now being assembled and stock piled. Additional requirements better can be gaged when more progress has been made in the accomplishment of that task, for which funds were made available in the recently enacted Third Deficiency Appropriation Act, 1946.

WAR DEPARTMENT

MILITARY ASSISTANCE, PHILIPPINES

Public Law 454, Seventy-ninth Congress, approved June 26, 1946, provides for military assistance to the Republic of the Philippines in establishing and maintaining national security and to form a basis for participation by that Government in such defensive military operations as the future may require. The law authorizes the appropriation of such sums as may be required to effectuate its provisions.

An estimate has been presented providing for the diversion of \$19,750,000 of appropriations currently available to the Military Establishment for extending assistance such as contemplated by the statute, and the committee has made provision in the accompanying measure in accordance therewith. The funds would be employed approximately as follows:

Food.....	\$6, 019, 938
Fuel and lubricants.....	712, 000
Clothing.....	10, 878, 279
Training ammunition.....	2, 000, 000
Training literature and visual aids.....	150, 000

CIVIL FUNCTIONS—SIGNAL CORPS

A recent survey of the Alaska Communication System indicates that because traffic and work load have not decreased to the extent anticipated, the appropriation of \$543,000 earlier made for the current fiscal year will not provide an adequate operating personnel. The committee was asked to make an additional \$265,000 available. It is recommending an additional \$200,000, and, if that is not sufficient, it is felt that greater use should be made of military personnel.

**COMPARATIVE STATEMENT OF THE AMOUNTS OF THE BUDGET ESTIMATES AND OF THE AMOUNTS
RECOMMENDED TO BE APPROPRIATED BY THE JOINT RESOLUTION**

House Doc. No.	Department or agency	Amount of Budget estimate	Amount recommended in joint resolution	Increase (+) or de- crease (-) joint resolution compared with Budget estimate.
TITLE I—GENERAL APPROPRIATIONS				
	LEGISLATIVE			
	HOUSE OF REPRESENTATIVES			
	Salaries and expenses, Office of Clerk, 1947		(1)	
	EXECUTIVE OFFICE OF THE PRESIDENT			
	ARMED FORCES LEAVE PAYMENTS			
717	Payments under the Armed Forces Leave Act of 1946	\$2, 679, 493, 000. 00	\$2, 431, 708, 000. 00	—\$247, 785, 000. 00
	ATOMIC ENERGY COMMISSION			
722	Salaries and expenses, 1947	750, 000. 00	(2)	—750, 000. 00
	COUNCIL OF ECONOMIC ADVISERS			
723	Salaries and expenses, 1947	375, 000. 00	275, 000. 00	—100, 000. 00
	OFFICE OF PRICE ADMINISTRATION			
721	Salaries and expenses, 1947	26, 000, 000. 00	26, 000, 000. 00	

716	OVERTIME, LEAVE, AND HOLIDAY COMPENSATION			
	Overtime, leave, and holiday compensation-----	20, 000, 000. 00	20, 000, 000. 00	
	Total, Executive Office of the President-----	2, 726, 618, 000. 00	2, 477, 983, 000. 00	--248, 635, 000. 00
	INDEPENDENT OFFICES			
	FEDERAL WORKS AGENCY			
727	Damage claims, Public Roads Administration-----	21, 012. 64	21, 012. 64	
	PRICE DECONTROL BOARD			
720	Salaries and expenses, 1947-----	250, 000. 00	250, 000. 00	
	Total, independent offices-----	271, 012. 64	271, 012. 64	
	DEPARTMENT OF COMMERCE			
	BUREAU OF FOREIGN AND DOMESTIC COMMERCE			
712	Export control, 1947-----	600, 000. 00	600, 000. 00	
	DEPARTMENT OF STATE			
	INTERNATIONAL OBLIGATIONS			
	Philippine rehabilitation-----		(3)	
	TREASURY DEPARTMENT			
748	Strategic and critical materials (act July 23, 1946)-----	250, 000, 000. 00		--250, 000, 000. 00

¹ Chargeable to contingent fund of the House.

² Substitutes funds previously appropriated for Manhattan Engineer District.

³ Corrects printing error in former appropriation.

Comparative statement of the amounts of the Budget estimates and of the amounts recommended to be appropriated by the joint resolution—Continued

House Doc. No.	Department or agency	Amount of Budget estimate	Amount recommended in joint resolution	Increase (+) or de- crease (—) joint resolution compared with Budget estimate
	TITLE I—GENERAL APPROPRIATIONS—Continued			
	WAR DEPARTMENT			
	MILITARY ACTIVITIES			
747	Military assistance, Philippines-----	(4)	(4)	-----
	Atomic service-----	-----	(5)	-----
	CIVIL FUNCTIONS			
715	Alaska Communication System, Signal Corps, 1947-----	\$265, 000. 00	\$200, 000. 00	—\$65, 000. 00
	Total, title I-----	2, 977, 754, 012. 64	2, 479, 054, 012. 64	--498, 700. 000. 00
	TITLE II—JUDGMENTS AND AUTHORIZED CLAIMS			
719	Judgments and authorized claims-----	609, 197. 81	609, 197. 81	-----
724				
725				
726				
728	Grand total, titles I and II-----	2, 978, 363, 210. 45	2, 479, 663, 210. 45	--498, 700, 000. 00

⁴ Makes \$19,750,000 of existing funds available.

⁵ Amends former appropriation.

Union Calendar No. 840

79TH CONGRESS
2^D SESSION

H. J. RES. 390

[Report No. 2694]

IN THE HOUSE OF REPRESENTATIVES

JULY 27, 1946

Mr. CANNON of Missouri introduced the following joint resolution; which was referred to the Committee on Appropriations

JULY 29, 1946

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Insert the part printed in italic]

JOINT RESOLUTION

Making additional appropriations for the fiscal year 1947, and
for other purposes.

- 1 *Resolved by the Senate and House of Representatives*
- 2 *of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, to provide
- 5 additional appropriations for the fiscal year ending June 30,
- 6 1947, and for other purposes, namely:

1 TITLE 1—GENERAL APPROPRIATIONS

2 LEGISLATIVE

3 HOUSE OF REPRESENTATIVES

4 Salaries and expenses, Office of the Clerk: Subject to
5 the approval of the chairman of the Committee on Accounts
6 (Committee on House Administration, if and when elected),
7 the Clerk of the House of Representatives is authorized,
8 until February 15, 1947, to incur such expenses for personal
9 services and for supplies and materials as may be neces-
10 sary to enable him to discharge the additional duties imposed
11 upon him by S. 2177, Seventy-ninth Congress, and to
12 charge such expenses to the contingent fund of the House,
13 *and, in addition, the contingent fund of the House, until*
14 *otherwise provided by law, shall be available for effectuating*
15 *subsections (b) and (c) of section 201 of such S. 2177*
16 *insofar as such subsections relate to the House of Repre-*
17 *sentatives: Provided, That this authority is subject to the*
18 *enactment into law of such S. 2177.*

19 EXECUTIVE OFFICE OF THE PRESIDENT

20 ARMED FORCES LEAVE PAYMENTS

21 Payments under the Armed Forces Leave Act of 1946:
22 For all expenses necessary to enable the President through
23 the Treasury, War, and Navy Departments to carry out the
24 provisions of the Armed Forces Leave Act of 1946, includ-
25 ing cash payments to members and former members of the

1 armed forces, payments to the Treasurer of the United
2 States of amounts representing the face value of bonds issued
3 to such servicemen, and administrative expenses until June
4 30, 1948, including printing and binding, penalty mail costs,
5 and personal services in the District of Columbia and else-
6 where without regard to section 14 (a) of the Federal
7 Employees Pay Act of 1946, \$2,431,708,000, to be avail-
8 able (except as to administrative expenses) until expended
9 and for allocation to said departments by transfer to and
10 merger with appropriations thereof or otherwise, in such
11 amounts respectively as may be determined by the Director
12 of the Bureau of the Budget.

13 ATOMIC ENERGY

14 Such part as the President may determine of the unex-
15 pended balances of appropriations, allocations, or other
16 funds available for expenditure in connection with the Man-
17 hattan Engineer District are hereby transferred to and shall
18 be available for allocation by the President to such agencies
19 as he may determine for expenditure for the purpose of carry-
20 ing out provisions of the Atomic Energy Act of 1946: *Pro-*
21 *vided*, That such appropriations shall be available for per-
22 sonal services in the District of Columbia and elsewhere
23 without regard to section 14 (a) of the Federal Employees
24 Pay Act of 1946.

1 COUNCIL OF ECONOMIC ADVISERS

2 Salaries and expenses: For all necessary expenses, fiscal
3 year 1947, of the Council of Economic Advisers in carrying
4 out its functions under the Employment Act of 1946 (Pub-
5 lic Law 304), including personal services in the District
6 of Columbia and elsewhere; temporary employment of per-
7 sons or organizations without regard to civil-service and
8 classification laws; acceptance and utilization of voluntary
9 and uncompensated services; lawbooks, books of reference,
10 newspapers, and periodicals; printing and binding; purchase
11 of one, and hire, maintenance, operation, and repair of
12 passenger automobiles; travel expenses, including expenses
13 of attendance at meetings or organizations concerned with
14 the work of this agency; and not to exceed \$8,000 for
15 deposit in the general fund of the Treasury for cost of
16 penalty mail as required by section 2 of the Act of June
17 28, 1944 (Public Law 364) ; \$275,000.

18 OFFICE OF PRICE ADMINISTRATION

19 Salaries and expenses: For an additional amount, fiscal
20 year 1947, for "Salaries and expenses", including the ob-
21 jects and subject to the conditions specified under this head
22 in the Third Deficiency Appropriation Act, 1946,
23 \$26,000,000.

24 OVERTIME, LEAVE, AND HOLIDAY COMPENSATION

25 Overtime, leave, and holiday compensation: To enable
26 the President through the departments and agencies con-

cerned to pay claims for overtime, leave, and holiday compensation at night rates as certified under the provisions of H. R. 6532, Seventy-ninth Congress, and subject to the enactment of such bill, \$20,000,000, to be available until expended for allocation to the departments and agencies concerned in such amounts respectively as may be determined by the Director of the Bureau of the Budget.

INDEPENDENT OFFICES

FEDERAL WORKS AGENCY—PUBLIC ROADS

ADMINISTRATION

Damage claims: For the payment of claims for damage to roads and highways under the Defense Highway Act of 1941, as amended (23 U. S. C. 110), as follows: "The Commissioner of Public Roads is authorized to reimburse the several States for the necessary rehabilitation or repair of roads and highways of States or their subdivisions substantially damaged by the Army or the Navy, or both, by any other agency of the Government, and so forth", as fully set forth in House Document Numbered 727, Seventy-ninth Congress, \$21,012.64.

PRICE DECONTROL BOARD

Salaries and expenses: For all necessary expenses, fiscal year 1947, of the Price Decontrol Board in carrying out its functions under the Price Control Extension Act of 1946 and all other powers and duties and functions which

1 may be lawfully vested in the Price Decontrol Board, in-
2 cluding personal services in the District of Columbia and
3 elsewhere; temporary employment of persons or organiza-
4 tions by contract or otherwise without regard to civil-service
5 and classification laws; acceptance and utilization of voluntary
6 and uncompensated services; lawbooks, books of reference,
7 newspapers and periodicals; printing and binding; purchase
8 of one, and hire, maintenance, operation, and repair of pas-
9 senger automobiles; travel expenses, including expenses of
10 attendance at meetings or organizations concerned with the
11 work of the Board; and not to exceed \$5,000 for deposit in
12 the general fund of the Treasury for cost of penalty mail as
13 required by section 2 of the Act of June 28, 1944 (Public
14 Law 364) ; \$250,000.

15 DEPARTMENT OF COMMERCE

16 BUREAU OF FOREIGN AND DOMESTIC COMMERCE

17 Export control: For an additional amount, fiscal year
18 1947, for "Export control", including the objects specified
19 under this head in the Department of Commerce Appro-
20 priation Act, 1947, \$600,000.

21 DEPARTMENT OF STATE

22 INTERNATIONAL OBLIGATIONS

23 Philippine rehabilitation: The third proviso of the appro-
24 priation under this head contained in the Third Deficiency
25 Appropriation Act, 1946, hereby is corrected to read as

1 follows: "*Provided further*, That the Secretary of State, or
2 such official as he may designate, is authorized to transfer
3 from any of the foregoing amounts to any department or
4 independent establishment of the Government for participa-
5 tion in the foregoing programs, sums for expenditure by such
6 department or establishment for the purposes hereof, and
7 sums so transferred shall be available for expenditure in
8 accordance with the provisions hereof and, to the extent de-
9 termined by the Secretary of State, in accordance with the
10 law governing expenditures of the department or establish-
11 ment to which transferred: *Provided further*, That transfers
12 of funds to participating agencies for the programs set forth
13 in sections 302 to 305 of the Act shall be approved by the
14 President prior to such transfers:".

15 WAR DEPARTMENT

16 MILITARY ACTIVITIES

17 Military assistance, Philippines: Any or all of the appro-
18 priations of the Military Establishment for the fiscal year
19 1947 shall be available, in a total amount of not to exceed
20 \$19,750,000, for all expenses necessary to enable the
21 President through the War Department to carry out the
22 provisions of the Republic of the Philippines Military As-
23 sistance Act.

24 Atomic Service: The amount named in the last proviso
25 of the appropriation "Atomic Service", contained in the Mili-

1 tary Appropriation Act, 1947, may be increased to such an
2 amount as the President may approve, which shall be deter-
3 mined and communicated to the chairmen of the Committees
4 on Appropriations of the Senate and House of Representa-
5 tives, respectively, within thirty days after the enactment of
6 this Act.

7 CIVIL FUNCTIONS—SIGNAL CORPS

8 Alaska Communication System: For an additional
9 amount, fiscal year 1947, for "Alaska Communication
10 System", including the objects specified under this head in
11 the War Department Civil Appropriation Act, 1947,
12 \$200,000, to remain available until the close of the fiscal
13 year 1948.

14 TITLE II—JUDGMENTS AND AUTHORIZED
15 CLAIMS

16 PROPERTY DAMAGE CLAIMS

17 SEC. 201. For the payment of claims for damages to
18 or losses of privately owned property adjusted and deter-
19 mined by the following respective departments and inde-
20 pendent offices, under the provisions of the Act entitled
21 "An Act to provide a method for the settlement of claims
22 arising against the Government of the United States in
23 the sum not exceeding \$1,000 in any one case", approved
24 December 28, 1922 (31 U. S. C. 215), as fully set
25 forth in House Document Numbered 725, Seventy-ninth
26 Congress, as follows:

1 Federal Works Agency, \$136.15;
2 Department of Commerce, \$71.86;
3 Department of the Interior, \$905.26;
4 Treasury Department, \$312.30;
5 In all, \$1,425.57.

6 JUDGMENTS, UNITED STATES COURTS

7 SEC. 202. For the payment of final judgment, which
8 has been rendered under the provisions of the Act of March
9 3, 1887, entitled "An Act to provide for the bringing of
10 suits against the Government of the United States", as
11 amended by section 297 of the Act of March 3, 1911 (28
12 U. S. C. 761), and which has been certified to the Seventy-
13 ninth Congress in House Document Numbered 719, under
14 the following agency:

15 War Department, \$218.92, together with such addi-
16 tional sum as may be necessary to pay interest as and
17 where specified in the judgment, and such judgment shall
18 not be paid until the right of appeal has expired.

19 JUDGMENTS, UNITED STATES COURT OF CLAIMS

20 SEC. 203. (a) For payment of judgments rendered
21 by the Court of Claims and reported to the Seventy-ninth
22 Congress in House Document Numbered 726, under the fol-
23 lowing agencies, namely:

24 Federal Works Agency, \$49,000;
25 National Housing Agency:

1 Federal Public Housing Authority, \$8,829.05;

2 Treasury Department, \$12,909.42;

3 In all, \$70,738.47, together with such additional
4 amount as may be necessary to pay interest as and where
5 specified in the judgments;

6 (b) None of the judgments contained under this cap-
7 tion shall be paid until the right of appeal shall have ex-
8 pired except such as have become final and conclusive
9 against the United States by failure of the parties to appeal
10 or otherwise.

11 Payment of interest wherever provided for judgments
12 contained in this Act shall not in any case continue for more
13 than thirty days after the date of approval of this Act.

14 AUDITED CLAIMS

15 SEC. 204. For the payment of claims certified to be due
16 by the General Accounting Office under appropriations the
17 balances of which have been carried to the surplus fund
18 under the provisions of section 5 of the Act of June 20,
19 1874 (31 U. S. C. 713), and under appropriations hereto-
20 fore treated as permanent, being for the service of the fiscal
21 year 1944 and prior years, unless otherwise stated, and
22 which have been certified to Congress under section 2 of
23 the Act of July 7, 1884 (5 U. S. C. 266), as fully set forth
24 in House Document Numbered 728, Seventy-ninth Con-
25 gress, there is appropriated the sum of \$504,495.10, to-

1 gether with such additional sum due to increases in rates of
2 exchange as may be necessary to pay claims in the foreign
3 currency and interest as specified in certain of the settle-
4 ments of the General Accounting Office, to be disbursed
5 and accounted for as a single fund, and \$1,728.43 payable
6 from postal revenues; in all, \$506,223.53.

7 SEC. 205. For the payment of claims allowed by the
8 General Accounting Office pursuant to the Act entitled "An
9 Act granting travel pay and other allowances to certain
10 soldiers of the War with Spain and the Philippine Insur-
11 rection who were discharged in the Philippine Islands",
12 approved December 5, 1945 (Public Act Numbered 247,
13 Seventy-ninth Congress), and which have been certified to
14 the Seventy-ninth Congress under section 2 of the Act of
15 July 7, 1884 (5 U. S. C. 266), under the War Department
16 in House Document Numbered 724, \$30,591.32.

17 TITLE III—GENERAL PROVISIONS

18 SEC. 301. No part of any appropriation contained in
19 this Act shall be used to pay the salary or wages of any
20 person who engages in a strike against the Government of
21 the United States or who is a member of an organization of
22 Government employees that asserts the right to strike against
23 the Government of the United States, or who advocates, or
24 who is a member of an organization that advocates, the
25 overthrow of the Government of the United States by force

1 or violence: *Provided*, That for the purposes hereof an
2 affidavit shall be considered prima facie evidence that the
3 person making the affidavit has not contrary to the provisions
4 of this section engaged in a strike against the Government of
5 the United States, is not a member of an organization of
6 Government employees that asserts the right to strike against
7 the Government of the United States, or that such person
8 does not advocate, and is not a member of an organization
9 that advocates, the overthrow of the Government of the
10 United States by force or violence: *Provided further*, That
11 any person who engages in a strike against the Government
12 of the United States or who is a member of an organization
13 of Government employees that asserts the right to strike
14 against the Government of the United States, or who advo-
15 cates, or who is a member of an organization that advocates,
16 the overthrow of the Government of the United States by
17 force or violence and accepts employment the salary or wages
18 for which are paid from any appropriation in this Act shall
19 be guilty of a felony and, upon conviction, shall be fined
20 not more than \$1,000 or imprisoned for not more than one
21 year, or both: *Provided further*, That the above penalty
22 clause shall be in addition to, and not in substitution for,
23 any other provisions of existing law.

24 SEC. 302. This Act may be cited as the "First Supple-
25 mental Appropriation Act, 1947".

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DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued July 31, 1946
For actions of July 30, 1946
79th-2nd, No. 151

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HIGHLIGHTS: House concurred in Senate amendments to Flannagan-Hope research-marketing bill. House concurred in Senate amendment to bill authorizing health programs for Federal employees. House passed supplemental appropriation bill; rejected Voorhis amendment to provide \$5,000,000 more for school-lunch program. Senate passed bill to direct appointment of a commissioner in Treasury to settle Mediterranean fruitfly claims. Senate confirmed nominations of Keyserling, Clark, and Nourse to be Economic Advisers. President approved bill to provide for liquidation of rural-rehabilitation projects.

HOUSE

- 1. RESEARCH; MARKETING.** Concurred in the Senate amendments to H. R. 6932, the Flannagan-Hope bill (pp. 10630-1). This bill will now be sent to the President. As finally passed, this bill provides additional authorizations as follows:
Payments to States, etc., for research:
\$2,500,000 for 1947; \$5,000,000 for 1948; \$10,000,000 for 1949; \$15,000,000 for 1950; \$20,000,000 for 1951; unlimited authorization thereafter.
Distribution: 20% equally to each State, etc.; at least 26% on basis of rural population; at least 26% on basis of farm population; not over 25% for regional problems; 3% for administrative expenses.
Authorization to the Department for utilization research:
\$3,000,000 for 1947; \$6,000,000 for 1948; \$9,000,000 for 1949; \$12,000,000 for 1950; \$15,000,000 for 1951; unlimited authorization thereafter.
These authorizations provide authority to contract with private agencies.
Cooperative research with the State experiment stations and other agencies:
\$1,500,000 for 1947; \$3,000,000 for 1948; \$4,500,000 for 1949; \$6,000,000 for 1950; unlimited authorization thereafter.
The Department could use not over 3% of these funds for administrative expenses.
Authorization to the Department for marketing research and service; with permission to work through States:
\$2,500,000 for 1947; \$5,000,000 for 1948; \$10,000,000 for 1949; \$15,000,000 for 1950; \$20,000,000 for 1951; unlimited authorization thereafter.
- 2. PERSONNEL; HEALTH.** Concurred in the Senate amendment to H. R. 2716, which authorizes departments and agencies (including corporations), within the limits of appropriations made available therefor, to establish by contract or otherwise health-service programs for their employees; prohibits such programs

until the Public Health Service recommendations have been considered; limits the programs to localities of sufficient size; and limits services to (1) treatments of on-the-job illness and emergency dental conditions, (2) preemployment and other examinations, (3) referrals to private doctors, and (4) preventive programs. This bill will now be sent to the President. (p. 10629).

3. MINERALS. Agreed to a concurrent resolution, already passed by the Senate, to correct S. 1236, to amend the Mineral Leasing Act so as to encourage development of oil and gas on the public domain (pp. 10629-30). This bill will now be sent to the President.

4. APPROPRIATIONS. Passed without amendment H. J. Res. 390, the first supplementary appropriation bill for 1947, which includes items for OPA, Price Decontrol Board, and enlisted men's terminal leave (pp. 10615-24).

Rejected, 57-66, an amendment by Rep. Voorhis, Calif., to provide \$5,000,000 for the school-lunch program for 1947 (p. 10619).

The general farm situation was discussed (pp. 10621-3).

5. LIMITATIONS STATUTE. Rep. Hobbs, Ala., asked for concurrence in the Senate amendment to H. R. 2788, to limit the time during which certain actions under U. S. laws may be brought, but several members objected (pp. 10628-9).

6. FISHERIES. Passed without amendment S. 2318, to conserve fishery resources of the Columbia River (p. 10632). This bill will now be sent to the President.

7. POLITICAL ACTIVITIES. Concurred in the Senate amendment to H. R. 1497, to permit such activities by Federal employees in connection with municipalities in which they reside (p. 10628). This bill will now be sent to the President.

8. CONGRESSIONAL PHONE CALLS. Rep. Ramey, Ohio, criticized the way "bureaucrats" handle telephone calls (p. 10635).

9. HOUSING. Rep. Rowan, Ill., spoke in favor of S. 1592, the Wagner-Ellender-Taft housing bill (p. 10635).

10. ECONOMY. Rep. Dirksen, Ill., commended the provision of S. 2177, the congressional reorganization bill, which provides for expenditure analyses by GAO (p. 10612).

Rep. Rich, Pa., spoke in favor of economy in expenditures (p. 10608).

11. FARM MACHINERY. Rep. Hoffman, Mich., said additional steel should be allocated for farm-machinery production (p. 10612).

12. PERSONNEL CEILINGS. Rep. Rees, Kans., charged that some agencies are violating the personnel-ceiling requirements (p. 10613).

13. PATENTS. Agreed to the conference report on H. R. 5223, to extend the time for filing applications for patents, etc. (p. 10624). Senate has not yet acted on conference report.

14. TERMINAL LEAVE. Received the conference report on H. R. 4051, to provide terminal-leave benefits for enlisted personnel (pp. 10608-11).

SENATE

5. CLAIMS; INSECT CONTROL. Passed without amendment S. 1250, to direct the Secretary of the Treasury to appoint a commissioner to investigate and certify for

sumer about \$1,000,000,000; and the needy veterans will still be without new homes which they might want to buy at prices fixed by the Veterans' Emergency Housing Act.

Well, perhaps some bureaucrat will say that the remodeling program has been launched under the National Housing Act, with improvement loans made by private lenders guaranteed by the National Housing Administration, and without cost to the taxpayers. But if that claim is advanced, whence will come the increased production of short-supply building materials necessary even to the remodeling and repair program? Most certainly the National Housing Act which authorizes the NHA to insure private loans for improvements and remodeling of homes does not authorize subsidies and incentive payments to increase the production of short-supply building materials—only the Veterans' Emergency Housing Act of May 22, 1946, does that—and then for new residential construction only, as the Office of Price Administration has asserted. It seems to follow that the subsidy and incentive payments to stimulate production of short-supply building materials cannot properly be made for the remodeling and repair program.

The situation seems, then, to warrant the conclusion that the veterans' emergency housing program for the new construction of residences for veterans is not to be begun for about a year hence; and that there is immediate danger that funds appropriated for that program may, and doubtless will, be diverted to a program neither contemplated nor authorized by Congress. Well, that is the old, old story of the bureaucrats. When they find they cannot make good their extravagant promises under acts passed by Congress at their insistent demand, or when they find it expedient to change their programs, they merely construe acts of Congress to meet their own ideas and desires, and go merrily about their business of ignoring the wishes and will of Congress. And while they are planning and spending the veterans and others are without homes. But the bureaucrats continue in office.

FIRST SUPPLEMENTARY APPROPRIATION ACT, 1947

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year 1947, and for other purposes.

Pending that motion, Mr. Speaker, may I inquire of the gentleman from Massachusetts [Mr. WIGGLESWORTH] what his suggestion might be as to a limitation of time for debate on the bill?

Mr. WIGGLESWORTH. I believe one-half hour on each side would be sufficient.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that debate upon the bill be limited to one hour, half to be controlled by the gentleman from Massachusetts [Mr. WIGGLESWORTH] and half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 390, with Mr. BONNER in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Missouri is recognized for 15 minutes.

Mr. CANNON of Missouri. Mr. Chairman, less than 2 weeks ago, to be exact, on July 19, 1946, I reported to the House the third deficiency appropriation bill. It was understood that it was the final deficiency appropriation bill. We have had seven deficiency appropriation bills in this Congress. On July 19, we could foresee only one possibility of additional charges upon the Treasury, and that was money which might be necessary to take care of terminal leave pay for members and former members of the armed services, but in the 10 days or so that have elapsed since that time we have received from the Bureau of the Budget 16 new estimates, and there are indications that there will be additional estimates submitted before the bill comes back from the Senate. All of the estimates thus far, however, are in direct response to legislation or to needs created by legislation enacted by the House. They fairly may be said to comprise emergency items.

In this instance, Mr. Chairman, it is interesting to note what the situation would have been had we had in effect during this year the provisions for legislative budgetary management which are contained in the streamline bill which recently passed the House and the Senate.

Under that bill, had it been a law at the commencement of this session, it would have been necessary not later than last February 15 to have established an over-all ceiling beyond which we might not go. Since that time, even if it had been possible to have made a reasonably accurate estimate as to what the over-all ceiling should be on February 15, which of course would hardly have been possible, but granting it had been possible to have made a close estimate of the over-all ceiling at that time, we have exceeded the ceiling which probably would have been established in the intervening months by unforeseen and unpredictable needs of appropriations to the extent of \$6,283,401,877. At that time the Budget made a reserve, such as is provided for in the streamlining bill, for future supplementary requests and the amount was \$875,000,000. In other words, the over-all ceiling would have missed the mark by

roundly \$6,280,000,000. I think that actual and immediate experience should enable us to foresee the impracticability of this streamlining proposition under which, without the benefit of hearings, without the benefit of full and complete data necessary to arrive at a reasonably accurate estimate, any predetermined over-all ceiling would be practically worthless. If the budgetary system provided by the streamlining bill had been in effect at the beginning of this session it would not have saved a single dollar of this \$6,000,000,000-plus supplementary appropriation which we have made since February 15, 1946.

Following our usual custom of parsimonious action on all estimates submitted by the Bureau of the Budget, we recommend to the House in the pending bill a reduction in the estimates of practically a half billion dollars. The estimates which we have had since July 19, 1946, and on which this bill is based, aggregate \$2,978,363,210.45. We recommend in this appropriation bill the provision of \$2,479,663,210.45, a reduction in the Budget estimates of \$498,700,000—in round figures, a half billion dollars. Of course, the principal item in the bill is the item for equalization of laws and regulations governing leave privileges of officers and enlisted men, which is recommended in response to the Armed Forces Leave Act of 1946. We provide here out of an estimate of \$2,679,493,000 for unused furlough credit to all enlisted men, to place them upon an equal basis with all commissioned men, so that they will have the same rights and privileges in drawing terminal pay for unused leave, \$2,479,663,210.45. The reduction of \$247,785,000 will not be required for expenditure until 1948.

There will be an opportunity in the next Congress to take care of that amount. So we have provided in this bill the necessary amount and only the necessary amount to take care of all terminal leave which will become payable in the fiscal year 1947.

We were requested by the Bureau of the Budget to provide three-quarters of a million dollars for salaries and expenses of the Atomic Energy Commission. Later the Bureau of the Budget withdrew the estimate and said it could get along if we would make available this amount out of funds already provided for the Manhattan project. So in this bill we have provided no specific appropriation for that purpose but provide therefor in the manner recommended by the Budget Bureau in its supplemental proposal.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, the only other item of particular interest is the provision of \$26,000,000 for the Office of Price Administration. At the time we made an appropriation of \$75,000,000 for OPA, the OPA bill had not yet been enacted, but following its enactment, under the terms of its provisions, which stated that the Bureau of the Budget should make a

study within 30 days after the enactment of the law and publish its findings in the Federal Register which would thereupon become binding—in order to take care of the next 7½ months, because we must carry this over into the next Congress or carry it over into a period when the next Congress can take up the matter and make proper provision for it—we have given them merely enough money to carry them through the recess of the Congress. We are informed it will require \$26,000,000 in addition to the \$75,000,000, or a total of \$101,000,000 to operate over the intervening period, and we recommend that amount.

Mr. Chairman, there is one other item to which attention should be called, the request from the Department of Commerce to provide a half-million dollars for effectively performing export control functions. The principal reason for the appropriation is the need of controlling more closely the exportation of materials which will be required, or which can be used for carrying out the veterans' housing program. If we are to provide housing for veterans and for other acute metropolitan needs, we must see that sufficient material is retained in this country to carry out the program. In order to do that, we must provide funds to take care of the added burden placed upon the Department and its export-control organization by the program. We have, therefore, recommended the full amount of the Budget estimate for that purpose.

Mr. Chairman, in closing may I call attention to the fact that although the Budget estimates for the fiscal year have been in excess of \$37,000,000,000 the committee has recommended and the Congress has appropriated in round numbers only \$35,000,000,000. In other words, the Committee on Appropriations has cut down the estimates for the year \$1,705,922,606. In addition to the amount stated, we have reclaimed from the war appropriations a total of \$64,328,230,565.

That amount of money could very well have been spent and doubtless much of it would have been spent had it not been for the prompt action of the Committee on Appropriations, both before the close of the war, in requiring the Budget Bureau to report periodically the status of appropriations and, promptly upon the close of the war, in reclaiming, as fast as reports come in, this huge amount of money which to that extent, prevents record additions to the national debt.

Mr. THOMASON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. THOMASON. I wish the gentleman from Missouri would make a little further comment on that item in the bill providing appropriations of some two and one-half billion dollars for the armed forces leave payment. The reason I make the inquiry is that I happen to be one of the conferees of the House on the bill authorizing the payment of terminal leave pay. The conferees have been in long sessions for some 2 or 3 days, and all of the House Members have stood by the House bill as long as possible; in other words, the situation is that the

Senate conferees will not yield because they insist upon these payments being made in bonds.

I might also add that a representative of the Director of the Bureau of the Budget was there to say that the Treasury, and the Budget, and also the President were opposed at this time to the payment of this leave in cash. So, if that point of view should prevail, then will the gentleman tell the House just what this appropriation of \$2,500,000,000 means?

Mr. CANNON of Missouri. If the gentleman will note section 8 of the legislative bill which the gentleman's committee has reported out it will be observed that it does not provide for the handling of these funds as a public-debt transaction? It authorizes appropriations for effectuating the provisions of the law. We had no authority to handle it as a public-debt transaction.

Under the technical provisions of the law, these bonds cannot be issued until the money is available. In the first place, some of them mature immediately; in the second place, many of them are maturable for commercial life-insurance premiums and it is impossible to determine how much will become payable and how much will not. The only alternative was to provide the full amount due in 1947. We did defer the appropriation of a quarter of a billion dollars, which will not be required until 1948. But under the provisions of the law, which the gentleman had a very large part in enacting, and I congratulate the gentleman upon the splendid record he made in that respect, this is the only provision which can be made under the legislative authorization.

Mr. THOMASON. In the event the conference report providing for this payment in bonds is adopted by both Houses, is an appropriation bill necessary?

Mr. CANNON of Missouri. Certainly. Some of the bonds are payable immediately. Some mature as soon as they are issued, and others may become payable under the provisions of the legislative bill at any time.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 10 minutes.

(Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks.)

Mr. WIGGLESWORTH. Mr. Chairman, as has been pointed out, this bill carries an overall total of about \$2,479,000,000. This total represents a reduction as compared with the Budget estimates of about \$498,700,000.

Ninety-six percent of the total is accounted for by an item for terminal leave, which has just been referred to. You will note that there is carried in the bill about \$2,431,000,000 for this purpose. In the hearings you will find that sum broken down as between the War Department, the Navy Department, and the Treasury Department.

It is anticipated there will be between 15,000,000 and 16,000,000 recipients of these payments. The appropriation recommended by the committee is 90 percent of the total estimated to be required in this connection, that being the

figure which it is believed will cover all payments required during the fiscal year 1947.

There is a second substantial item in the bill for overtime, leave, and holiday compensation which, as you will note, amounts to \$20,000,000 estimated as required to pay about 1,000,000 small claims, averaging \$20 per claim, in several of the departments of the Government.

These claims grow out of a ruling made by the Comptroller General in 1944 which required revision of the computation of overtime; leave, and holiday compensation in a good many cases.

The bill (H. H. 6532) now pending before the President for signature, I believe, sets up a system for the payment of these claims which it is estimated will save about \$4,000,000 in administration expenditure, so that this appropriation calling for the payment of \$20,000,000 worth of claims represents a saving in the long run to that extent.

The third substantial item is the item, providing an additional \$26,000,000 for the revamped Office of Price Administration. This \$26,000,000 added to the \$75,000,000 already provided makes available about \$101,000,000 to carry the agency until next February 15.

Some Members will recall that the original request by OPA amounted to \$142,200,000 on a 12 months' basis, as compared with \$151,171,000 in the current fiscal year.

You will recall that the House took 25 percent off that request to carry the agency until February next, so that when the House reconvenes in January it can reconsider the amount required for the balance of the year.

That brought the request down to \$106,000,000 and with the \$26,000,000 carried in this bill, the request is further reduced to about \$101,000,000 or roughly \$5,000,000 less than what the House provided in the previous bill.

The OPA estimates certain increases which will have to be met as the result of the pay increase act. It estimates other increases growing out of a number of amendments adopted in the other body when the legislation was revamped. It estimates certain savings, first, because there has been no recruiting during the month of July, and, second, because of the limitation which the House placed upon the funds for informational purposes a limit being fixed, as you will recall of \$1,750,000.

The result is an over-all reduction in personnel of 1,026 and an over-all reduction in funds of \$4,188,000.

Personally, I think the agency could get along with less funds. But it is more or less a shot in the dark at this time and difficult to tell just what will be required with the changes that have just been put into effect.

We have already provided that the Bureau of the Budget shall go over the matter within 30 days after the enactment of the new law and if possible provide a ceiling within the over-all appropriation made available. By limiting the appropriation to February 15, the Congress will have a chance to review the whole subject again when it reconvenes in January.

I am therefore not too critical of the action of the committee in recommending this amount at this time.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. WIGGLESWORTH. I yield.

Mr. DONDERO. Will the amount of money carried in this bill be required whether we pay the terminal leave in cash or in bonds?

Mr. WIGGLESWORTH. I have been advised by the Treasury Department this morning through the general counsel's office that the identical number of dollars will be required to be appropriated whether the terminal-leave payments are made in bonds or in cash.

Mr. CLASON. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. CLASON. If that is true, and the same amount of money must be appropriated, the only reason why we should pay in bonds rather than in cash is that it might be inflationary if it is paid in cash. Is that correct?

Mr. WIGGLESWORTH. The gentleman is more familiar with that aspect of the question than I am, he being a conferee on the legislative bill. But I understand the Treasury always requires a bond to be covered by a deposit of dollars before the bonds are issued. Normally, a bond issue is sold to the public. In this instance the funds will be provided by appropriation through the Congress.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself five additional minutes.

Mr. CLASON. The Treasury Department raises no objection to its being paid in cash. There was no question so far as the Treasury was concerned as to whether they would prefer it to be paid in one way or another?

Mr. WIGGLESWORTH. I do not think that matter was gone into to any great extent in our committee. That is a question for the legislative committee rather than for the committee making appropriations to implement that legislation.

Mr. DONDERO. Mr. Chairman, will the gentleman yield further?

Mr. WIGGLESWORTH. I yield.

Mr. DONDERO. The purpose of that question was this: I recall some 10 or 12 years ago we made payable to the veterans of World War I in regard to their adjusted service compensation certificates 2 years before they became due, in order to provide funds to those men for their immediate use. It seems to me that perhaps for the World War II veterans funds should be made available for their immediate use. I think it might be a wise move for the Government to make payment either in cash or bonds, making it optional on the part of the veterans.

Mr. WIGGLESWORTH. I understand that matter is being thrashed out in conference by the conferees appointed by the Senate and House in respect to the legislative bill.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. RABAUT. During the course of the hearings I had occasion to inquire about the matter and it is recorded in the hearings on page 38. It is very brief.

Mr. RABAUT. Is there any election in the law for the boys to take bonds or money?

General CARSON. At the moment it is in conference.

Mr. RABAUT. Is it still in conference?

General CARSON. Yes.

Mr. RABAUT. I thought perhaps you had been furnished some additional information.

General CARSON. As it is now, anything under \$50 is to be paid by cash or check and the rest is to be a bond payment.

That is what the hearings developed; but it is still in conference.

Mr. WIGGLESWORTH. Mr. Chairman, I might refer very briefly to two or three other items in the bill before concluding.

You will note that provision is made for the Atomic Energy Commission. Instead of appropriating an additional \$750,000 for the expenses of this Commission as was originally suggested, the committee has simply made available amounts already appropriated in respect to the Manhattan project, thereby saving the \$750,000 originally suggested.

Then, you will find an item of \$275,000 for starting the work of the Council of Economic Advisers, which is \$100,000 below the Budget recommendation.

You will find also an item of \$250,000 for starting the work of the Price Control Board, which has just been set up.

There is also an item in the bill of \$600,000, an additional appropriation in respect to export control, under the Department of Commerce. The additional appropriation seems to be justified on the basis of experience during the last 6 months. There has been an increase of work that was not anticipated.

There is another item of \$19,750,000 under the War Department, for military assistance to the Philippine Republic. This appropriation is made under the recent law which authorizes the President, on request of the Philippine Republic, to turn over stores, supplies, technical information, equipment, and other similar things, whenever he thinks it is advisable in the public interest, and provided it is consistent with the military and naval requirements of the United States.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself five additional minutes.

This in effect provides for the maintenance of the Army of the Philippine Republic for 1 year, except as to pay. It seems to be essential under the conditions which prevail in the islands at this time.

There are some other items in here, as you will note, including judgments and authorized claims, which make up the total of the bill.

Mr. CLASON. Mr. Chairman, will the gentleman yield further?

Mr. WIGGLESWORTH. I yield.

Mr. CLASON. In regard to the atomic energy provisions on page 3, as I understand it, under existing appropriations \$375,000,000 have been made available

either to meet present contracts or for contract authorization in the fiscal year. Am I correct?

Mr. WIGGLESWORTH. I think the figure is approximately correct.

Mr. CLASON. This section of the bill dealing with the Atomic Energy Commission would permit the President to take away from any part of this authorization for research and development under the War Department and allow it to be used for any other purpose that the newly established Atomic Energy Commission might care to use it for. Is that true?

Mr. WIGGLESWORTH. I take it that under the new bill the whole thing is to be coordinated under the new Commission we have set up.

Mr. CLASON. Can the gentleman tell the committee whether or not there was anything in the hearings to indicate that there is going to be any cutting down of the amount of research by the armed services?

Mr. WIGGLESWORTH. I do not believe that matter was gone into.

Mr. CLASON. The gentleman does not know how much money is likely to be transferred under this section, then?

Mr. WIGGLESWORTH. The money that has already been made available is simply placed under the discretion of the President for the purpose of carrying out the provisions of the Atomic Energy Act.

Mr. CLASON. But it is a blank check; there is no particular amount expressed in the hearings to indicate the limit.

Mr. WIGGLESWORTH. No. It is the amount we have already appropriated. We are not appropriating further funds.

Mr. CLASON. They can take it away from the armed services and use it for other purposes?

Mr. WIGGLESWORTH. To the extent that they are authorized to do so under the enabling legislation which was just passed.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. RABAUT. There is nothing added; they only take it away from a different account.

Mr. WIGGLESWORTH. We are not appropriating a cent more than already has been appropriated.

Mr. RABAUT. The gentleman is correct.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. Chairman, we have heard a great deal during the debate in recent weeks about the OPA holding the price line, stabilizing prices. Likewise, we have heard a great deal about veterans' housing and the building of hospitals in which to accommodate the war veterans.

On July 17, 1946, the Veterans' Administration released a report with complete details as to the progress being made in the construction of the veterans' hospitals, appropriations for which have been made available by the Congress. I should like to direct your attention to

some of the details of this report. For instance, the new hospitals proposed and under construction provide for 40,640 beds. Additions proposed or under construction will make another 10,961 beds, or a total of 51,601 beds.

During the three-year period from June 26, 1943, to March 28, 1946, the Congress, in eight separate appropriation measures, appropriated \$454,771,000. The third urgent deficiency bill, approved on June 21, 1946, included contractual authorizations for the Veterans' Administration in the amount of \$441,250,000 for the construction of hospital facilities.

This means that, while the original estimate covering these 51,601 beds totaled \$454,771,000, during that three-year period—when the OPA is alleged to have been holding the construction price line—the Veterans' Administration has been retarded in this building program, and found it necessary last month to secure this additional appropriation of \$441,250,000.

Mr. Chairman, in order to provide 51,601 additional beds, it will not require, as originally estimated, \$454,771,000, but a total of \$896,000,000. In other words, the cost of building these 51,601 hospital beds has exactly doubled in the 3-year period from June 1943 to June 1946. Throughout that entire 3-year period, the OPA claimed it was holding the price line on construction costs, yet we find that the Veterans' Administration, having received full authority for appropriations and having contractual authority from the Congress, has been stymied in pursuing diligently this building program because of the fact that costs have doubled.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DWORSHAK. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Of course, as the gentleman knows, even the Army hospitals are crowded. They closed the Lovett General Hospital in my district and have turned it over to be used as a barracks for students, not that I would deny the students a place to sleep; however, other places could be found for them. In the meantime, go out to the Walter Reed Hospital and you will see the crowded conditions there and you can see the crowded conditions at other places.

Mr. DWORSHAK. I realize that the Veterans' Administration also has taken over 15 Army hospitals and at the present time is considering the advisability of taking over additional Army and Navy hospital facilities to accommodate the waiting list of veterans who desire hospitalization.

Mrs. ROGERS of Massachusetts. I only want to bring out the fact that the barracks have been created for the able-bodied and the disabled are being put out of the hospital facilities.

Mr. DWORSHAK. I thank the gentlewoman for her contribution.

I want to stress the fact that, throughout this 3-year period, the cost of building these hospital beds doubled, which prompts me to inquire whether or not the delay in providing housing facilities for veterans—and we hear so

much about that these days—can be placed in the same category as the Veterans' Administration hospitals? Has the cost of building housing facilities for veterans and other Americans doubled in the 3-year period when OPA was supposedly holding the price line on construction costs? I mention these facts because Congress is frequently criticized for not providing housing facilities while our critics entirely overlook the fact that very adequate appropriations have been made available; not only since VJ-day, but throughout the past 3 years.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. DWORSHAK. Mr. Chairman, if there are delays in providing essential housing facilities and in building these 51,000 hospital beds, the appropriations for which have been provided by the Congress, then, certainly, the responsibility does not rest upon the legislative branch of Government but, rather, upon the executive department, primarily upon the OPA, although the people of this country, and particularly the veterans, have been led to believe the delay is directly chargeable to negligence on the part of the Congress. The American people, and especially the veterans, should be fully advised as to the details so that they may realize that the Congress has provided every dollar—as a matter of fact, twice as much money as was originally estimated to be required—for the building of 51,601 hospital beds.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. DWORSHAK. I yield to the gentleman from Iowa.

Mr. JENSEN. The gentleman has worked for the veterans housing program very diligently, as have many Members of Congress, and we know that the reason we have not had the necessary production of materials is because for months the OPA refused to promptly adjust prices at the mills and factories. The black market boys have gone in and taken the materials, the veterans have very little folding money so they get little material. They cannot compete with the black marketeer, who has a pocketful of folding money and that is the main reason they have as yet hardly gotten started on the veterans' housing program.

Mr. DWORSHAK. Veterans' hospital construction and veterans' housing facilities do have certain priorities, but what good are priorities when no building materials are available and when scarcities and shortages have been artificially created because of the operations of OPA?

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DWORSHAK. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. As the gentleman knows, prior to the time the Veterans' Administration were given priorities they were next to the last on the list of priorities, and absolutely no plans were made for the future building of hospitals for veterans.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

[Mr. SCHWABE of Oklahoma addressed the House. His remarks will appear hereafter in the Appendix.]

(Mr. SCHWABE of Oklahoma asked and was given permission to revise and extend his remarks.)

Mr. CANNON of Missouri. Mr. Chairman, I yield such time as he may desire to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, I think it is imperative that this bill be passed before the Congress adjourns. This bill, if passed, will provide the funds for terminal-leave payments to enlisted men of World War II. It is unusual to pass a bill appropriating money for a program or function which has not been finally approved by legislative enactment, but we of the Appropriation Committee feel confident that the Congress will finally pass the terminal-leave pay bill within a few hours. Therefore, this appropriation bill, which must go to the Senate and be passed there, is offered now. Although other items are included in the bill, by far the largest amount of money contained therein is for the purpose of making terminal-leave payments, in cash I hope, to enlisted men for the purpose of equalizing leave privileges of officers and enlisted men of the armed forces. I urge passage of the bill.

(Mr. GORE asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired.

Mr. CANNON of Missouri. Mr. Chairman, on page 2, lines 13 to 17, there is a provision in italics which is not a part of the bill. I therefore ask that the Clerk in reading omit those lines as they were not reported by the committee. They are not part of the bill and appear in this print of the bill through error.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

PRICE DECONTROL BOARD

Salaries and expenses: For all necessary expenses, fiscal year 1947, of the Price Decontrol Board in carrying out its functions under the Price Control Extension Act of 1946, and all other powers and duties and functions which may be lawfully vested in the Price Decontrol Board, including personal services in the District of Columbia and elsewhere; temporary employment of persons or organizations by contract or otherwise without regard to civil-service and classification laws; acceptance and utilization of voluntary and uncompensated services; lawbooks, books of reference, newspapers and periodicals; printing and binding; purchase of one, and hire, maintenance, operation, and repair of passenger automobiles; travel expenses, including expenses of attendance at meetings or organizations concerned with the work of the Board; and not to exceed \$5,000 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); \$250,000.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California: On page 6, after line 11, insert the following:

"Department of Agriculture school-lunch program: The amount named in the Department of Agriculture Appropriation Act, 1947, to carry on the purposes and provisions of the National School-Lunch Act, is hereby increased by \$5,000,000."

Mr. WIGGLESWORTH. Mr. Chairman, I reserve a point of order against the amendment.

Mr. VOORHIS of California. Mr. Chairman, I can explain the purpose of this amendment very briefly. It will be recalled that a short time ago the House passed basic legislation, which came out of the Committee on Agriculture, to set up a national school-lunch program. The way that program operates under the bill is that the Federal Government makes grants to the appropriate State agencies, generally the State Departments of Education, to match moneys spent by the States and the local school districts in providing for school lunches for the children in the schools of the Nation. It so happens that Congress appropriated \$75,000,000 for this purpose in the coming year. When we did so the plans were made, particularly for the milk program. In many, many instances the school lunch in some of the poorer sections especially consists only of a pint of milk. That is all the child gets. It means the difference between decent nourishment and practically no nourishment at all in many of those instances. All the plans have been made on the basis of the price of milk as it was a couple of months ago. The price of milk has increased, as I see it, necessarily so. I know in my section the dairymen without an adequate subsidy would lose money. I am not criticizing the price increase, but I am pointing out that for every one cent increase per quart of milk it costs \$2,500,000 more than was the case before, in order to enable children to get this milk for 2 cents a pint, which is where they try to keep the cost to the children and what the whole program has been based upon. My amendment, in other words, would mean that there could still be as much milk in the school lunches as before, allowing for a 2-cent increase in the price of milk.

That is the situation in a nutshell. It recommends itself to me from this point of view, that if we believe, as the Congress has certainly declared it believes many times in acting on OPA legislation, that an increased price for some of these farm commodities is justifiable, and if the Congress also believes, as it has declared it does, in the soundness of this school-lunch program as a means of enabling children to be well-enough nourished to take advantage of the educational program our Nation provides, this amendment is a logical one, simply to keep the program where it is now in view of the increased price.

Mr. Chairman, that is all there is to it. I was earnestly in hopes that it might be possible for the committee to accept this amendment. It is true the situation has arisen all of a sudden and there has not been time to consider it in

committee. I realize that fact fully, but I hope that the House will see the justice of the thing and vote with me on the proposition.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Pennsylvania.

Mr. SIMPSON of Pennsylvania. Is the money payable under the school-lunch program payable on a matching basis or under the so-called variable grants system?

Mr. VOORHIS of California. It is payable on the straight matching basis. There is a formula in the bill which does provide for a certain ratio for each State and that ratio does reflect to some degree the per capita wealth of that State as compared to the national per capita wealth; but the matching is the same for all States, and once that ratio has been determined the money is not paid under the new bill at all unless the State does match.

Mr. SIMPSON of Pennsylvania. Does the gentleman mean, then, that dollar for dollar is matched, or does he mean that in one State a Federal dollar may be paid if a lesser amount is contributed?

Mr. VOORHIS of California. No, it is matched dollar for dollar. In future years it will be required for the localities to pay more than a dollar for each Federal dollar appropriated. That is on a sliding scale.

The CHAIRMAN. Does the gentleman from Massachusetts insist on his point of order?

Mr. WIGGLESWORTH. Mr. Chairman, the amendment that is offered seems to me to be not germane to the section of the bill where it is offered. I feel constrained, therefore, to make the point of order that the amendment is not germane.

The CHAIRMAN (Mr. BONNER). The Chair is ready to rule. The gentleman from Massachusetts [Mr. WIGGLESWORTH] makes the point of order that the amendment is not germane. If the amendment is germane to any part of the bill, it is germane at the point at which it has been offered. Therefore, the Chair overrules the point of order.

Mr. CANNON of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the grounds upon which the amendment is offered are conjectural and contingent. It is possible as the fiscal year progresses that the provision previously made will be ample. Also, there will be an opportunity later on, in case it should prove to be inadequate, to make a deficiency or supplemental appropriation in specific terms based upon the actual facts as they have developed. But the aim and the purpose of the amendment are so meritorious that I shall not object and so far as I am personally concerned I am willing to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. VOORHIS].

The question was taken; and on a division (demanded by Mr. VOORHIS of California) there were—ayes 26, noes 47.

Mr. VOORHIS of California. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. VOORHIS of California and Mr. WIGGLESWORTH.

The Committee again divided; and the tellers reported there were—ayes 57, noes 66.

So the amendment was rejected.

Mr. BAILEY. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Chairman, I have requested this time in order to inform my colleagues of the status of H. Res. 711—a privileged resolution calling on the Treasury Department for certain data on pending applications and refunds granted under the carry-back clause relating to excess profit taxes.

A serious situation exists when a civilian board made up largely of tax experts and tax lobbyists begin consideration of refunds from the United States Treasury estimated to be in excess of \$8,000,000,000. This board was not created by an act of Congress and is not directly responsible to the Congress. Here, Mr. Speaker, is a set-up that has all the earmarks of a raid on the Treasury that will make Comptroller General Warren's expose, on yesterday, of the wartime contract frauds look like a pink tea party in comparison.

The time having elapsed under the resolution in which the Treasury could have supplied the House with this information, I called Treasurer John W. Snyder who insisted he had no knowledge of the resolution, which I introduced on July 17. He asked for a conference and the representatives of the Treasury Department and the Bureau of Internal Revenue who attended claimed the information requested was not available at this time.

They submitted a letter of explanation which I desire at this time to read into the RECORD:

TREASURY DEPARTMENT.

Washington, July 26, 1946.

HON. CLEVELAND M. BAILEY,
House Office Building,
House of Representatives,
Washington, D.C.

DEAR MR. BAILEY: As requested by you, am writing to explain in some detail the effect of House Resolution 711, introduced by you on July 17, 1946.

The resolution calls for information to be furnished to the House by the Secretary of the Treasury with respect to the operation of section 122 (b) and (c) of the Revenue Act of 1945. The Treasury would be requested to supply a list of taxpayers who have filed claims for refund of excess profits taxes, and of those who have had such claims allowed, together with the amounts, as a result of carry-backs to the years 1944 and 1945 of unused excess profits credits arising in 1946. Under section 122 of the Revenue Act of 1945, the carry-back of unused credits is retained for taxable years beginning in 1946, although the excess-profits tax itself was repealed as of December 31, 1945.

Adoption of the resolution at the present time would appear to this Department to be premature. Practically no claims for refund with respect to carry-backs from taxable years beginning in 1946 can be filed during the calendar year 1946. The amount of such carry-backs and the resulting excess-profits-tax refunds cannot be ascertained until the

expiration of the taxable year. In the case of taxpayers reporting on a calendar year basis, no claim could properly be filed until the beginning of 1947, at the earliest. As a practical matter, it is unlikely that many claims will be filed prior to March 15, 1947, when the tax returns for 1946 are due. In the cases of the many fiscal year taxpayers, taxable years beginning in 1946 will not be closed until sometime in 1947, and returns will not be due for 2½ months after the close of the fiscal year. Only in the relative handful of cases of short taxable years, due to changes in accounting periods or winding up of a business, could claims be filed during 1946. Even if a few such claims do arise during the year, they would be wholly unrepresentative of the extent of the application of the carry-back provisions, and would not, I believe, be of the slightest value to the House in appraising their operation, and might prove misleading. Accordingly, adoption of the resolution would appear to be premature since there would be no information for the Department to make available under the resolution.

The carry-back provisions of the excess-profits-tax law have been receiving continued joint study by the Treasury Department and the staff of the Joint Committee on Internal Revenue Taxation since their status was last under consideration by the Ways and Means Committee and the Finance Committee of the Senate in connection with the Revenue Act of 1945. For the reasons I have outlined, no significant data as to the area or extent of the benefits arising from these provisions has yet been adduced as to the year 1946. The study has necessarily been very largely confined to a preliminary analysis of the problems which may inhere in the sections of the law involved. These problems will continue to receive attention with a view to maintaining the best possible surveillance of the operation of the unused credit carry-back and to developing specific information as it becomes available.

This Department is glad to have had the opportunity to acquaint you with its views as to the problems involved in furnishing the information you desire.

Sincerely yours,

JOSEPH J. O'CONNELL, Jr.,
Acting Secretary of the Treasury.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the gentleman from West Virginia may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BAILEY. Mr. Chairman, the conferees agreed that certain tentative payments in the nature of advances have been paid to tax applicants for the first and second quarters of the taxable year 1946, but insisted they were involved in the entire year's settlement and would not be available to the Congress until 1947. It appears that a mere technicality in the form of a faulty resolution will prevent the House having this information prior to adjournment.

Mr. Chairman, I regret very much to see the Congress adjourn without having first-hand information as to who is asking refunds under the carry-back clause in the Revenue Act of 1945 and what, if any, payments have been made out of the Treasury under this refund clause. It appears to be too late now to get this information. Should the vicissitude of politics prevent my return as a

member of the Eightieth Congress, I should like to know that this effort on my part to prevent a raid on the Treasury will fall into far more capable hands than mine and will receive prompt attention on the convening of the new Congress.

Mr. BELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, for a very few moments I wish to discuss a resolution which I introduced on July 22, H. R. 7102. It is a resolution which I think every American citizen should be interested in.

When our forefathers set up the Government of the United States, and drafted the Constitution under which we live, they provided for three branches of government, the executive, legislative, and judicial. In their wisdom they saw fit to provide for the judges of our courts lifetime tenure and pay which could not be reduced during their term of office. In other words, they felt that the American people, if we were to have an incorruptible judiciary, should place the members of our judiciary beyond the question of worrying about their compensation.

As time has gone on the Congress has provided retirement pay for all of the hundreds of thousands of civil-service employees. Our judges have retirement pay, Army officers have retirement pay. It was thought many, many years ago that if an officer leading an army, whether it be a brigade, a regiment, or a company, the officer leading troops should not have to worry about his old age if he gets wounded. It was felt we would have better service by providing retirement for them. The same principle has been applied to all other departments of our government. The Congress in its wisdom has provided retirement pay for substantially everyone, including Members of the Congress. I think of only one exception in all the wide, broad scope of government. I picked up a newspaper the other night and I found that the President of the United States was referred to as the forgotten man. I may say that in filing this bill I had an eye to the Presidency of the United States as an institution rather than to the President as an individual. As a matter of fact, I have never discussed the matter with the present occupant of that high office, I have never discussed it with any member of the executive department of our government, and I am sure that the President of the United States does not even know I filed this bill or had any contemplation of filing it.

Never before in all the history of the world has any one man had such a tremendous responsibility upon his shoulders as the President of the United States has today. Never before has any one man conducted so big a business as the President of the United States is today conducting, and never before for so small a compensation.

The other day I talked to one of my friends about this bill, a Member of Congress, and he said, "Why, the President does not need a retirement bill. He can save enough out of the \$75,000 a year to retire comfortably." Then I called his attention to the fact that by the time the President pays his Federal income tax, and State income tax, he has left only about \$28,000.

The sum of \$43,920 is the Federal tax upon a salary of \$75,000; then on top of that a State income tax, which leaves \$28,000. But unfortunately the American people expect the President of the United States to live not in some little cottage on a back street, but to live in the White House. That White House is a residence, plain as it may be, befitting the dignity of the high office that the American people expect that individual to fill. I do not know what the grocery bill for the White House is today, but I do know, and I have this from very reliable sources, that in recent years it has never been less than \$24,000 a year. I know groceries are higher today than they were 5 years ago, and you know that too. The result is that the very best you can figure, the President of the United States today works for less than \$4,000 a year compensation, out of which he has to buy clothes, make donations to charities, and so forth.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BELL. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Indiana.

Mr. SPRINGER. I am interested in what the gentleman is saying on this subject. He appeared before the Judiciary Committee just recently and spoke upon this matter. Did the gentleman provide anything for the Vice President who is also elected by the people?

Mr. BELL. I think the Congress provided for him the other day. At least, that is my understanding.

Mr. SPRINGER. Does the gentleman think a Vice President comes under that general provision?

Mr. BELL. That is my understanding. If that is not true, he should be given proper retirement pay.

Mr. SPRINGER. The thing I think the gentleman is referring to is the question of succession and not the question of retirement.

Mr. BELL. Retirement is what I am talking about.

Mr. SPRINGER. It is my understanding that the Vice President does not come under the general retirement plan.

Mr. BELL. If that be true, the matter should be taken care of. There is no use letting the Vice President be the only forgotten man either. The President of the United States today is working for less money than the average common laborer, that is a thing that the American people I am sure do not want. I think that the American people do want the President of the United States to be in a position where he can devote his time to the duties and responsibilities of that high office without having to worry about the grocery bills 5 or 10 years from now.

The other day I presented this matter to the Committee on the Judiciary. That great committee very graciously permitted me time to go before them and make a statement. I do hope that they will bring the bill to the floor of the House with a favorable report. I do not know what the committee in its

wisdom will decide to do, but I do hope that the Members of this House will give serious thought to this problem. It is a problem which concerns not merely the President but it concerns every American citizen because of the tremendous responsibility that rests upon the shoulders of the President of the United States.

If the bill gets to the floor of the House I hope that the Members will vote for it. By doing so, I know you will be giving a vote in the best interest of your country.

When we go back into the House I shall ask unanimous consent to insert at the end of my remarks an article by Jay G. Hayden, entitled "Presidential Pay."

(The matter referred to follows:)

PRESIDENTIAL PAY

(By Jay G. Hayden)

In the present deluge of Government pay raises the forgotten man seems to be President Truman.

Last week Congress boosted all Federal judges \$5,000 a year, and recently all American diplomats were granted increases ranging up to \$7,500 (from \$17,500 to \$25,000) for ambassadors.

In pressing the pending La Follette-Monroney congressional reorganization bill before this week end, Congressmen will provide a 50 percent raise (\$10,000 to \$15,000) for themselves.

Raises for all civil service employees, averaging 14 percent, took effect July 1, as did the 50 percent jump in base pay for enlisted personnel of the Army and Navy, with lesser increases for higher ranks.

In contrast with all this there not only has been no increase in pay of the President since 1909, when the salary was fixed at \$75,000, but his take-home pay, due to income taxes, has diminished well over half since that time.

And, while the plight of Mr. Truman, much the poorest financially among recent Presidents, is freely bemoaned by his friends, members of the Appropriations Committees of Congress say the subject never has been mentioned in their deliberations.

One reason for this is that the problem of raising the President's take-home pay is difficult. Suppose for example, his salary were boosted to \$100,000. The top \$5,000 of even a \$75,000 net income is taxed \$4,050 (81 percent) and the rate ranges up to 87 percent on the \$90,000-to-\$100,000 income bracket. Thus an ostensible \$25,000 boost for the President would net him less than \$4,000 actual increase.

Like everybody else's, the President's tax return is kept secret but it is well known that Mr. Truman has little or no income other than his salary. A congressional tax expert asked to compute the present tax on a net income of \$75,000 for a man and wife with one dependent (the Truman status) placed it at \$42,892. The Missouri State income tax takes about \$1,000 more.

On this basis the President's spendable annual income is \$31,108.

For any ordinary citizen this would be nothing to complain about, but the President, in matter of expenses, is not like other people. He is compelled to live in the White House and entertain extensively and while much of this is covered by expense allowances, his personal financial burden still is heavy.

Warning his successor, President Wilson, of what was in store for him, President Taft wrote, "you can calculate that your expenses are only those of furnishing food to a large boarding house of servants and to your family, and your personal expenses of clothing, etc."

Even so, Taft said, he had been able to save an average of only \$25,000 a year, indi-

cating that his annual personal expenses as President were \$50,000. At that time there was no income tax whatever, and the salary, as now, was \$75,000.

Mr. Truman, with his income after taxes reduced to \$31,000, still has the same "large boarding house of servants"—24 of them by recent count—to feed, and cost of food has multiplied several times over, since Mr. Taft's Presidency.

The British way is to make certain official salaries tax free, as instance Lord Inverchapel, British Ambassador to the United States, who gets \$50,000 salary, plus large allowances for official expense—all free from taxes. The Congressmen say, however, that it is out of the question to give the President a tax-free salary, without doing the same for all other Government officials—and that, they are sure, American voters never would stand for.

The best Mr. Truman can hope for, it appears, is that the "servant boarding house" will be taken off his hands by an increased expense allowance for that purpose, but there has been no visible inclination of Congress even to do that much.

(Mr. BELL asked and was given permission to revise and extend his remarks.)

Mr. RABAUT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, a few moments ago the gentleman from California [Mr. VOORHIS], offered an amendment to this bill for the purpose of bringing into line the price of milk so that it could be given for the school-lunch program. Milk has been affected by the lifting of the subsidy, and I am ashamed to learn that we had almost a solid vote across the aisle against this worthy amendment. The amendment was most worthy in its objective. The defeat of the amendment denies milk to the school children. That is No. 1. In the second place, the opponents take a rap at the farmers by denying them the proper price for milk a part of which has just been taken from them by the lifting of the subsidy. Across the aisle the great champions that have sung the song of the farmers, that have talked about a few tractors going to plow up the fields of Europe so that the starving people might be fed, today in this House rose to a man and rapped the farmer on the very price of milk. The vote on this amendment was 66 to 57, and the 66 practically came from across the aisle.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. Not now.

Mr. CHURCH. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and sixteen Members are present, a quorum.

Mr. RABAUT. Mr. Chairman, the very group that has been opposing the OPA, the very group that cried to high heaven to take off the subsidy, "Take it away, the farmer doesn't want it," and now the vote comes from the same side of the aisle. It decries the farmer an increase and at the same time let the little children go without milk.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. I appreciate that the gentleman is making a

political speech and therefore it probably should not be taken too seriously, but may I ask the gentleman, why did not the great Committee on Appropriations do this job when it was in committee?

Mr. RABAUT. Because it was not brought to our attention. That is why the chairman of the committee rose in his seat and said he would be very glad to accept the amendment and we on our side voted for it.

Mr. MARTIN of Massachusetts. The subsidies have been off for several weeks. Why did not the committee do its job?

Mr. RABAUT. Do not ask me. I am telling the gentleman what happened here this morning.

Mr. MARTIN of Massachusetts. Why is it that the chairman of the committee when he stood up on the floor here said it was conjectural whether you would need it or not?

Mr. RABAUT. I am not yielding for debate, I am yielding for a question. I want to say this to the gentleman, that if corrections are to be made this is the place to make them. If I am accused of making a political talk, I certainly accuse everybody across the aisle of making a first-class blundering political vote, because you certainly took it out on the farmers whose cause has been long acclaimed here for years. It looks now as though it was lip service. Someone on your side of the aisle before this bill leaves the floor, if you want to take the suggestion of a humble Democrat, ought to rise on his feet and ask that the matter be reconsidered, and support it for the sake of the farmers of the Nation and the children of this country.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

It is always interesting to listen to our good friend from Michigan, and he is ever ready to bring politics into the deliberations of the House. I cannot blame him much for that, because they are going to have to throw a lot of fast curves if they are to continue to deceive the people to the point where the New Deal is kept in charge of directing the course of the Government here in Washington.

He wants to know why we do not vote \$5,000,000 more for milk. Then he refers to the tractors being sent across to Europe and other countries. That is just another waste of this administration. One of the reasons we on the left side of the aisle are economy-minded is because we feel it is our duty to vote for economy, hoping against hope to keep this country from being driven into bankruptcy by extravagant waste and spending. Now, I will tell the gentleman how he can get more money appropriated by the Congress for old-age pensions, for milk for the children, and for everything that is needed by the people of America. This country is rich enough to take care of every matter of social welfare and legislation that is needed for the old folks and the children of this country if the New Deal will stop wasting billions of dollars a year.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I would like to make this point, but I yield to the gentleman.

Mr. AUGUST H. ANDRESEN. The appropriation for school lunches was in-

creased up to \$75,000,000 from something between \$50,000,000 and \$60,000,000 last year.

Mr. VURSELL. Certainly. The gentleman is right. This is only a matter of a political opportunity being taken advantage of.

Now, I will tell you how we can get all the things the American people need. The way to do it is to vote the New Deal out of control of the Appropriations Committee and every other committee of this House and stop wasting the peoples' money on useless things so that we can spend it on things that are worth while. To prove my point, I point to the bill which is brought in here today to increase the administration of the OPA by \$26 000,000—a pretty cute move because it is difficult to vote against it since something over \$2,000,000,000 for terminal leave is tied up in this bill. What do we have today? We have preserved the political machine of the OPA. We will have saddled upon the backs of the taxpayers \$100,000,000 when this bill is passed and we will be keeping 40,000 people on the OPA pay rolls to be diligently occupied in the coming elections to preserve the bureaucracy of the New Deal. And they will not keep down prices, but will bring back the unlawful black markets. That reminds me that just a few weeks ago after a 2-year delay the New Deal finally won its fight to retain Federal control of the United States Employment Agency. Until when? Until November 15—just after the elections so that they can retain 32,000 people on the pay roll and try to put the New Deal across so that they can continue to tax, spend, waste, and ultimately wreck the financial solvency of this Government.

The only hope to ever balance the budget, to deflate bureaucracy and maintain and return our Government again to the people is to turn the New Deal out and elect a Republican Congress.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment should be defeated. I am speaking against the Voorhis amendment.

Mr. GREEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Pennsylvania yield for a parliamentary inquiry?

Mr. GROSS. No; I do not yield.

The farmers do not need this. The gentleman from Michigan remarked that this is the kind of procedure that should be carried on to help to farmer. The farmers have had all of the New Deal help they want, and the result is that food is scarce everywhere. The farmers are helping everybody else to pay the bill. By this school-lunch program a small group of New Dealers pretend to be feeding the children and helping the farmers, some of these "do-gooders" have been grabbing, grabbing, and grabbing, and if they have not been grabbing money then they have been grabbing votes.

They are not interested in the children or the farmers. A Philadelphia businessman, a friend of mine, spent 3 months in Puerto Rico early this year. He put up at a hotel that charged \$16.50 a day.

There were five people in that hotel that he observed during that time. He

never knew who they were. He went on over to another island one day and they went on the same plane. There he was transacting business with some school authorities when they barged in, and then he found out who they were. They were five people from the Department of Agriculture here in Washington who were down in the Virgin Islands and Puerto Rico for 3 months studying how the school-lunch program was being handled.

Mr. McGLINCHEY. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN (after counting). One hundred and twenty Members are present; a quorum.

The gentleman from Pennsylvania will proceed.

Mr. GROSS. Now, Mr. Chairman, when these men get down here in the well of the House and beat their breasts about saving the children and saving the taxpayers' money, helping the farmers, and making appropriations to build houses, they talk and act as if they did not know that it takes material instead of money to build houses. An administration that carries on like that, when they send five people from Washington to Puerto Rico for 3 months, living at a hotel at \$16.50 a day, flying around in airplanes, to check on how the school-lunch program works, it simply does not make sense. One individual could have gone down there and been back inside of 10 days' time and furnished all the information that was necessary. Or, they have representatives down there from the Federal Government who could have done that. There are many ways in which it could have been done and thousands of dollars could have been saved. But they are not interested in that. All they are interested in is a good time, spending, taxing, making political capital of necessity.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HOOK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was happy to hear the gentleman from Pennsylvania [Mr. Gross] say that the farmers got enough out of the New Deal. I am happy that they are now admitting it. When the New Deal came into existence the farmers were getting 10 cents for corn. Prices were down so low that they could not even exist. Four hundred and fifty thousand farm mortgages were about to be foreclosed. The courthouses were being raided by the farmers themselves. Yes. Then along came the New Deal. If I remember correctly, the farm income of this Nation under the New Deal, if you please, has risen from \$11,000,000,000 to some \$26,000,000,000, and now the gentleman from Pennsylvania [Mr. Gross] rises on the floor of the House and says the farmers have got enough out of the New Deal. Yes. The farmers got the AAA from the New Deal, the most democratic organization that could possibly be devised, where the farmers themselves, through their AAA committee, form their own program with the help of the Department of Agriculture. Yes. They were given Soil Conservation and

Crop Insurance. The farm program of America today is on a good solid foundation.

Also today the farmers are satisfied with the program. I do not know how the farmers may vote in the election if they are misled by being told that the New Deal did not produce, but when you look at the record it proves that the farmer has received a great deal from the New Deal, and it is about time that the farmers appreciated it. I believe they do, notwithstanding the statement of the gentleman from Pennsylvania.

I defy the gentleman from Pennsylvania or any of his Republican colleagues who are criticizing the Democratic administration's farm program to tell the farmers of this Nation that they will take away the AAA program, the soil-conservation program, or change the credit structure. Tell them that they should go back to the good old days of 10-cent corn and turn agriculture back to the pre-New Deal days. You know you would not dare because if you did you would not be back here next session. So be honest with the farmers and tell them that you, too, are happy that they now are prosperous and that you will continue to carry on the good work that was commenced and put in operation under the Roosevelt administration.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read as follows:

Page 6, line 28:

"Philippine rehabilitation: The third proviso of the appropriation under this head contained in the Third Deficiency Appropriation Act, 1946, hereby is corrected to read as follows: 'Provided further, That the Secretary of State, or such official as he may designate, is authorized to transfer from any of the foregoing amounts to any department or independent establishment of the Government for participation in the foregoing programs, sums for expenditure by such department or establishment for the purposes hereof, and sums so transferred shall be available for expenditure in accordance with the provisions hereof and, to the extent determined by the Secretary of State, in accordance with the law governing expenditures of the department or establishment to which transferred: *Provided further*, That transfers of funds to participating agencies for the programs set forth in sections 302 to 305 of the act shall be approved by the President prior to such transfers.'"

Mr. MURRAY of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very much interested in listening to my distinguished colleague, the gentleman from Michigan [Mr. Hook], whose district is only a couple of counties away from mine.

His own estimate of the national farm income has gone up \$3,000,000,000 since last week, as you can find by looking at his own statement in the CONGRESSIONAL RECORD, and that is about the way the New Deal does things; they just go up by leaps and bounds; anytime they want to put the price up they just add a few billion dollars at will.

The facts are that in the spring of 1939, after 7 years of "the more abundant life," some of the farmers in his district were receiving less than 2 cents a quart for their milk. It has nothing to do with politics; it is an economic fact that in 1939, after this 7 years of the "more abundant life," they foreclosed more farms in the State of Wisconsin than ever before in the history of the Federal land bank.

Now, I realize it is not pleasant for you over here to have anyone showing you how you are spending and spending and spending. Let us keep this record straight and let us realize that in 1939 the whole New Deal agricultural program had bogged down. We had 54-cent-plus wheat and we had 5-cent-plus hogs. We had 8-cent-plus cotton and the producers were, in my judgment, in nearly as bad shape as they were in 1932, except that their agony was prolonged a little longer in 1939. If they had had 1932 prices, they would have been put out of their misery just a little quicker.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. JONES. The gentleman stated that in 1939 there were more foreclosures than ever before—foreclosures by whom?

Mr. MURRAY of Wisconsin. I said that in the State of Wisconsin there were more farm foreclosures by the Federal land bank than ever before in the history of the Federal land bank.

Now, it is fact that the sooner we realize that these people who live on the farms have really gone to school and can kind of figure some of these things out, the better off we are going to be.

I noticed in one of my district papers that some peanut politician in my district said I was a backwoodsman. Well, it does so happen that in my younger days I did roll some logs in that county but I never really saw "logrolling" until I came to Washington and saw the New Deal in action.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. BULWINKLE. Did I understand the gentleman to say that in 1938 or 1939 we had 8-cent cotton?

Mr. MURRAY of Wisconsin. I say that in August of 1939 you had 8-cent plus cotton; yes. The farmers received it. If the gentleman does not believe it I will send it to him.

Mr. BULWINKLE. I wish the gentleman would.

Mr. MURRAY of Wisconsin. Yes; I will surely be pleased to do so.

Mr. ERVIN. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. ERVIN. If I interpret the gentleman's remarks correctly he is somewhat homesick for Hoover now, is he not?

Mr. MURRAY of Wisconsin. I wish the gentleman would restate his remark.

Mr. ERVIN. I was just asking if the gentleman was not suffering nostalgia for Hoover's administration.

Mr. MURRAY of Wisconsin. I have not said anything about anybody's administration, but I am just saying that as far as I am concerned I may be "a backwoodsman" but at least I know

enough to catch on to the schemes of the New Deal and I think I know what it is trying to accomplish.

The Clerk read as follows:

Military assistance, Philippines: Any or all of the appropriations of the Military Establishment for the fiscal year 1947 shall be available, in a total amount of not to exceed \$19,750,000, for all expenses necessary to enable the President through the War Department to carry out the provisions of the Republic of the Philippines Military Assistance Act.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the reading of the remainder of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with the recommendation that the joint resolution do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year 1947, and for other purposes, had directed him to report the resolution back to the House with the recommendation that the resolution do pass.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the resolution to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the resolution.

The joint resolution was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the resolution.

Mr. CANNON of Missouri. Mr. Speaker, on that I demand the yeas and nays. The yeas and nays were ordered.

The question was taken; and there were—yeas 251, nays 0, not voting 179, as follows:

[Roll No. 257]

YEAS—251

Abernethy	Byrne, N. Y.	Dirksen
Andresen,	Byrnes, Wis.	Dondero
August, H.	Camp	Doughton, N. C.
Andrews, Ala.	Campbell	Douglas, Calif.
Angell	Canfield	Doyle
Arnold	Cannon, Mo.	Drewry
Auchincloss	Carnahan	Durham
Bailey	Chapman	Dworshak
Barrett, Pa.	Chief	Eberhart
Barrett, Wyo.	Chenoweth	Ellis
Beall	Chipherfield	Ellsworth
Bell	Church	Engle, Calif.
Bennett, Mo.	Clevenger	Ervin
Biemiller	Cole, Mo.	Fallon
Bishop	Colmer	Feighan
Bland	Cooley	Fenton
Bloom	Corbett	Fernandez
Bolton	Cox	Fisher
Bonner	Crosser	Flannagan
Bradley, Pa.	Cunningham	Flood
Brehm	Curtis	Folger
Brown, Ga.	D'Alesandro	Forand
Brown, Ohio	De Lacy	Fuller
Buchanan	Delaney,	Fulton
Buckley	James J.	Gamble
Bulwinkle.	D'Ewart	Gardner
Butler	Dingell	Gavin

Gearhart	Kinzer	Robertson,
Geelan	Kirwan	N. Dak.
Gerlach	Klein	Robertson, Va.
Gibson	Knutson	Rodgers, Pa.
Gillette	Kunkel	Roe, Md.
Gillie	Lanham	Roe, N. Y.
Goodwin	Latham	Rogers, Fla.
Gordon	Lea	Rogers, Mass.
Gore	LeCompte	Rooney
Gorski	Lesinski	Rowan
Graham	Lewis	Sabath
Granahan	McConnell	Sadowski
Granger	McCowan	Sasser
Grant, Ala.	McDonough	Savage
Green	McGlinchey	Schwabe, Mo.
Griffiths	McMillen, Ill.	Schwabe, Okla.
Gross	Madden	Scrivner
Gwinn, N. Y.	Manasco	Sikes
Gwynne, Iowa	Mankin	Simpson, Ill.
Hagen	Marcantonio	Simpson, Pa.
Hall,	Martin, Iowa	Smith, Maine
Leonard W.	Martin, Mass.	Smith, Ohio
Hancock	Mathews	Smith, Va.
Harless, Ariz.	Marrow	Smith, Wis.
Harness, Ind.	Michener	Spence
Havener	Mills	Springer
Hays	Monroney	Starkey
Healy	Mundt	Stefan
Hedrick	Murdock	Stevenson
Hendricks	Murray, Wis.	Stigler
Herter	Neely	Stockman
Heseltun	Norblad	Sullivan
Hinshaw	Norrell	Summers, Tex.
Hobbs	O'Brien, Ill.	Sundstrom
Hoch	O'Brien, Mich.	Talbot
Hoffman, Mich.	O'Hara	Talle
Holmes, Mass.	O'Toole	Taylor
Holmes, Wash.	Peterson, Fla.	Thom
Hook	Phillips	Thomason
Hope	Pickett	Tibbott
Horan	Pittenger	Traynor
Howell	Poage	Voorhis, Calif.
Huber	Pratt	Vursell
Hull	Price, Ill.	Wadsworth
Jackson	Quinn, N. Y.	Walter
Jarman	Rabaut	Weichel
Jenkins	Rabin	White
Jensen	Rains	Whitten
Johnson, Ill.	Ramey	Whittington
Johnson, Ind.	Randolph	Wigglesworth
Johnson, Okla.	Rankin	Wilson
Jones	Rayfiel	Winstead
Jonkman	Reed, Ill.	Wolcott
Judd	Reed, N. Y.	Wolverton, N. J.
Kearney	Rees, Kans.	Woodhouse
Kelley, Pa.	Resa	Woodruff
Kelly, Ill.	Riley	Worley
King	Rizley	Zimmerman

NAYS—0

NOT VOTING—179

Adams	Cravens	Izac
Allen, Ill.	Crawford	Jennings
Allen, La.	Curley	Johnson, Calif.
Almond	Daughton, Va.	Johnson, Tex.
Andersen,	Davis	Kean
H. Carl	Dawson	Kee
Anderson, Calif.	Delaney,	Keefe
Andrews, N. Y.	John J.	Kefauver
Arends	Dolliver	Keogh
Baldwin, Md.	Domengeaux	Kerr
Baldwin, N. Y.	Douglas, Ill.	Kilburn
Barden	Earthman	Kilday
Barry	Eaton	Kopplemann
Bates, Ky.	Elliott	LaFollette
Bates, Mass.	Elsaesser	Landis
Beckworth	Elston	Lane
Bender	Engel, Mich.	Larcade
Bennet, N. Y.	Fellows	LeFevre
Blackney	Fogarty	Lemke
Boren	Gallagher	Link
Boykin	Gary	Luce
Bradley, Mich.	Gathings	Ludlow
Brooks	Gifford	Lyle
Brumbaugh	Gillespie	Lynch
Bryson	Gossett	McCormack
Buck	Grant, Ind.	McGehee
Buffett	Gregory	McGregor
Bunker	Hale	McKenzie
Cannon, Fla.	Hall,	McMillan, S. C.
Carlson	Edwin Arthur	Mahon
Case, N. J.	Halleck	Maloney
Case, S. Dak.	Hand	Manefield,
Celler	Hare	Mont.
Clark	Harris	Mansfield, Tex.
Clason	Hart	Mason
Clements	Hartley	May
Clippinger	Hebert	Miller, Calif.
Cochran	Heffernan	Miller, Nebr.
Coffee	Henry	Morgan
Cole, Kans.	Hess	Morrison
Cole, N. Y.	Hill	Murray, Tenn.
Combs	Hoeven	Norton
Cooper	Hoffman, Pa.	O'Konski
Courtney	Holifield	O'Neal

Outland	Robinson, Utah	Tarver
Pace	Robson, Ky.	Thomas, N. J.
Patman	Rockwell	Thomas, Tex.
Patrick	Rogers, N. Y.	Tolan
Patterson	Russell	Torrens
Peterson, Ga.	Ryder	Towe
Pfeifer	Shafer	Trimble
Philbin	Sharp	Vinson
Ploeser	Sheppard	Vorys, Ohio
Plumley	Sheridan	Wasielewski
Powell	Short	Weaver
Price, Fla.	Slaughter	Welch
Priest	Somers, N. Y.	West
Reece, Tenn.	Sparkman	Wickersham
Rich	Stewart	Winter
Richards	Sumner, Ill.	Wolfenden, Pa.
Rivers	Taber	Wood

So the bill was passed.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Link with Mr. Ploeser.
Mr. Cooper with Mr. Eaton.
Mr. Vinson with Mr. Landis.
Mr. Heffernan with Mr. McGregor.
Mr. Morrison with Mr. Elsaesser.
Mr. Izac with Mr. Mason.
Mr. Sheridan with Mr. Rich.
Mr. Hébert with Mr. Elston.
Mr. Thomas of Texas with Mr. Robson of Kentucky.
Mr. Pfeifer with Mr. Shafer.
Mr. Keogh with Mr. Taber.
Mr. Almond with Mr. Short.
Mr. McGehee with Mr. Jennings.
Mr. Maloney with Mr. Keefe.
Mr. Barry with Mr. Hill.
Mr. Hart with Mr. Grant of Illinois.
Mrs. Douglas of Illinois with Mr. Hess.
Mr. Priest with Mr. Fellows.
Mr. Lynch with Mr. Henry.
Mr. Powell with Mr. Cole of New York.
Mr. Lytle with Mr. Halleck.
Mr. Rogers of New York with Mr. Carlson.
Mr. Somers of New York with Mr. Buffett.
Mr. Celler with Mr. Arends.
Mr. Sheppard with Mr. Bradley of Michigan.
Mr. Barden with Mr. Thomas of New Jersey.
Mr. Harris with Mr. Rockwell.
Mr. Rivers with Mr. Plumley.
Mr. Boykin with Mr. Miller of Nebraska.
Mr. Trimble with Mr. Kilburn.
Mr. Sparkman with Mr. Clason.
Mr. Wood with Mr. Dolliver.
Mr. Brooks with Mr. Cole of Kansas.
Mr. Hollifield with Mr. Engel of Michigan.
Mr. McMillan of South Carolina with Mr. Gifford.
Mr. Bryson with Mr. Hale.
Mr. Lane with Mr. Blackney.
Mrs. Norton with Mr. Edwin Arthur Hall.
Mr. Gary with Mr. Bender.
Mr. Elliott with Mr. Hartley.
Mr. John J. Delaney with Mr. Anderson of California.
Mr. Mahon with Mr. Hoeven.
Mr. Coffee with Mr. Allen of Illinois.
Mr. Mansfield of Montana with Mr. Crawford.
Mr. Outland with Mr. Brumbaugh.
Mr. Folger with Mr. LeFevre.
Mr. Domengeaux with Mr. Reece of Tennessee.
Mr. Kefauver with Mr. Vorys of Ohio.
Mr. Johnson of Texas with Mr. Gillespie.
Mr. Fogarty with Mr. Case of South Dakota.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

TEMPORARY EXTENSION OF TIME FOR FILING APPLICATIONS FOR PATENTS, ETC.

Mr. LANHAM. Mr. Speaker, I call up the conference report on the bill (H. R. 5223) to extend temporarily the time for filing applications for patents, for taking action in the United States Patent Of-

fice with respect thereto, for preventing proof of acts abroad with respect to the making of an invention, and for other purposes, and ask unanimous consent that the statement of the Managers on the Part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 29, 1946.)

Mr. LANHAM (interrupting the reading of the statement). Mr. Speaker, in view of the fact that the statement has already been published in the RECORD I ask unanimous consent that further reading be dispensed with.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the conference report?

Mr. LANHAM. Yes; I shall be pleased to do so.

Mr. Speaker, this bill is a counterpart of the Nolan bill that was passed after the last war and it is even more important legislation after this war than the Nolan bill was after the last one.

This is for the protection of the American industry and American ingenuity. Under the patent laws of the various countries there are certain limitations of time within which if a patent is perfected in one country there must be an application made for it in another country. Naturally, these American industries during the period of this war with reference to their applications for patents on their inventions and the patents that they had pending could not comply with the terms of the law because the transportation systems were such that they could not get the necessary papers to the appropriate places. This bill simply extends the time for a year as did the Nolan bill after the last war in which American industry can protect itself.

It is an agreed report by all the conferees, and it is very important from the standpoint of American business.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Without objection, the statement may be considered as read. There was no objection.

The conference report was agreed to. A motion to reconsider was laid on the table.

AUTOMOBILES FOR CERTAIN DISABLED VETERANS

The SPEAKER. The Chair recognizes the gentleman from Mississippi to submit a unanimous-consent request.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7171) to authorize the payment by the Administrator of Veterans' Affairs of the purchase price of automobiles or other conveyances purchased by certain disabled veterans, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WHITTINGTON. Mr. Speaker, I object.

HOSPITAL SURVEY AND CONSTRUCTION ACT

Mr. BULWINKLE. Mr. Speaker, I call up the conference report on the bill (S. 191) to amend the Public Health Service Act to authorize grants to the States for surveying their hospitals and public-health centers and for planning construction of additional facilities, and to authorize grants to assist in such construction, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CALL OF THE HOUSE

Mr. SMITH of Ohio. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently no quorum is present.

Without objection, a call of the House is ordered.

There was no objection.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 258]

Adams	Elsaesser	Mahon
Allen, Ill.	Elston	Maloney
Allen, La.	Engel, Mich.	Mansfield,
Almond	Fellows	Mont.
Andersen,	Fogarty	Mansfield, Tex.
H. Carl	Folger	Mason
Anderson, Calif.	Gallagher	May
Arends	Gary	Miller, Calif.
Baldwin, Md.	Gathings	Miller, Nebr.
Baldwin, N. Y.	Gifford	Morgan
Barden	Gillespie	Morrison
Barry	Gogsett	Murray, Tenn.
Bates, Ky.	Grant, Ind.	Norton
Bates, Mass.	Gregory	O'Konski
Beckworth	Hale	O'Neal
Bell	Hall	Outland
Bender	Edwin Arthur	Pace
Bennet, N. Y.	Halleck	Patrick
Blackney	Hand	Patterson
Bloom	Hare	Pfeifer
Boren	Harris	Philbin
Boykin	Hart	Ploeser
Bradley, Mich.	Hartley	Plumley
Brooks	Hébert	Powell
Brumbaugh	Heffernan	Price, Fla.
Bryson	Hendricks	Priest
Buck	Henry	Rains
Buffett	Hess	Reece, Tenn.
Bunker	Hill	Rich
Cannon, Fla.	Hoeven	Richards
Carlson	Hoffman, Pa.	Rivers
Case, N. J.	Hollifield	Robinson, Utah
Case, S. Dak.	Izac	Robson, Ky.
Celler	Jennings	Rockwell
Clark	Johnson, Calif.	Rogers, N. Y.
Clements	Johnson, Tex.	Russell
Clippinger	Kean	Ryder
Cochran	Kee	Savage
Coffee	Keefe	Schwabe, Mo.
Cole, Kans.	Kefauver	Shafer
Cole, N. Y.	Keogh	Sharp
Combs	Kerr	Sheppard
Cooper	Kilburn	Sheridan
Courtney	Kilday	Short
Cox	LaFollette	Simpson, Pa.
Cravens	Landis	Slaughter
Crawford	Lane	Somers, N. Y.
Crosser	Larcade	Sparkman
Curley	LeFevre	Starkey
Daughton, Va.	Link	Stewart
Davis	Luce	Stockman
Dawson	Ludlow	Sumner, Ill.
Delaney,	Lyle	Taber
John J.	McCormack	Tarver
Dolliver	McDonough	Thomas, N. J.
Douglas, Ill.	McGehee	Thomas, Tex.
Earthman	McGregor	Tolan
Eaton	McKenzie	Torrens
Elliott	McMillan, S. C.	Towe

79TH CONGRESS
2D SESSION

H. J. RES. 390

IN THE SENATE OF THE UNITED STATES

JULY 30 (legislative day, JULY 29), 1946

Read twice and referred to the Committee on Appropriations

JOINT RESOLUTION

Making additional appropriations for the fiscal year 1947, and
for other purposes.

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to provide
5 additional appropriations for the fiscal year ending June 30,
6 1947, and for other purposes, namely:

7 TITLE 1—GENERAL APPROPRIATIONS

8 LEGISLATIVE

9 HOUSE OF REPRESENTATIVES

10 Salaries and expenses, Office of the Clerk: Subject to
11 the approval of the chairman of the Committee on Accounts

1 (Committee on House Administration, if and when elected),
2 the Clerk of the House of Representatives is authorized,
3 until February 15, 1947, to incur such expenses for personal
4 services and for supplies and materials as may be neces-
5 sary to enable him to discharge the additional duties imposed
6 upon him by S. 2177, Seventy-ninth Congress, and to
7 charge such expenses to the contingent fund of the House:
8 *Provided*, That this authority is subject to the enactment
9 into law of such S. 2177.

10 EXECUTIVE OFFICE OF THE PRESIDENT

11 ARMED FORCES LEAVE PAYMENTS

12 Payments under the Armed Forces Leave Act of 1946:
13 For all expenses necessary to enable the President through
14 the Treasury, War, and Navy Departments to carry out the
15 provisions of the Armed Forces Leave Act of 1946, includ-
16 ing cash payments to members and former members of the
17 armed forces, payments to the Treasurer of the United
18 States of amounts representing the face value of bonds issued
19 to such servicemen, and administrative expenses until June
20 30, 1948, including printing and binding, penalty mail costs,
21 and personal services in the District of Columbia and else-
22 where without regard to section 14 (a) of the Federal
23 Employees Pay Act of 1946, \$2,431,708,000, to be avail-
24 able (except as to administrative expenses) until expended

1 and for allocation to said departments by transfer to and
2 merger with appropriations thereof or otherwise, in such
3 amounts respectively as may be determined by the Director
4 of the Bureau of the Budget.

5 ATOMIC ENERGY

6 Such part as the President may determine of the unex-
7 pended balances of appropriations, allocations, or other
8 funds available for expenditure in connection with the Man-
9 hattan Engineer District are hereby transferred to and shall
10 be available for allocation by the President to such agencies
11 as he may determine for expenditure for the purpose of carry-
12 ing out provisions of the Atomic Energy Act of 1946: *Pro-*
13 *vided*, That such appropriations shall be available for per-
14 sonal services in the District of Columbia and elsewhere
15 without regard to section 14 (a) of the Federal Employees
16 Pay Act of 1946.

17 COUNCIL OF ECONOMIC ADVISERS

18 Salaries and expenses: For all necessary expenses, fiscal
19 year 1947, of the Council of Economic Advisers in carrying
20 out its functions under the Employment Act of 1946 (Pub-
21 lic Law 304), including personal services in the District
22 of Columbia and elsewhere; temporary employment of per-
23 sons or organizations without regard to civil-service and
24 classification laws; acceptance and utilization of voluntary

1 and uncompensated services; lawbooks, books of reference,
2 newspapers, and periodicals; printing and binding; purchase
3 of one, and hire, maintenance, operation, and repair of
4 passenger automobiles; travel expenses, including expenses
5 of attendance at meetings or organizations concerned with
6 the work of this agency; and not to exceed \$8,000 for
7 deposit in the general fund of the Treasury for cost of
8 penalty mail as required by section 2 of the Act of June
9 28, 1944 (Public Law 364) ; \$275,000.

10 OFFICE OF PRICE ADMINISTRATION

11 Salaries and expenses: For an additional amount, fiscal
12 year 1947, for "Salaries and expenses", including the ob-
13 jects and subject to the conditions specified under this head
14 in the Third Deficiency Appropriation Act, 1946,
15 \$26,000,000.

16 OVERTIME, LEAVE, AND HOLIDAY COMPENSATION

17 Overtime, leave, and holiday compensation: To enable
18 the President through the departments and agencies con-
19 cerned to pay claims for overtime, leave, and holiday
20 compensation at night rates as certified under the provisions
21 of H. R. 6532, Seventy-ninth Congress, and subject to the
22 enactment of such bill, \$20,000,000, to be available until
23 expended for allocation to the departments and agencies
24 concerned in such amounts respectively as may be deter-
25 mined by the Director of the Bureau of the Budget.

1 INDEPENDENT OFFICES

2 FEDERAL WORKS AGENCY—PUBLIC ROADS

3 ADMINISTRATION

4 Damage claims: For the payment of claims for damage
5 to roads and highways under the Defense Highway Act
6 of 1941, as amended (23 U. S. C. 110), as follows: "The
7 Commissioner of Public Roads is authorized to reimburse
8 the several States for the necessary rehabilitation or repair
9 of roads and highways of States or their subdivisions sub-
10 stantially damaged by the Army or the Navy, or both, by
11 any other agency of the Government, and so forth", as fully
12 set forth in House Document Numbered 727, Seventy-ninth
13 Congress, \$21,012.64.

14 PRICE DECONTROL BOARD

15 Salaries and expenses: For all necessary expenses, fiscal
16 year 1947, of the Price Decontrol Board in carrying out
17 its functions under the Price Control Extension Act of
18 1946 and all other powers and duties and functions which
19 may be lawfully vested in the Price Decontrol Board, in-
20 cluding personal services in the District of Columbia and
21 elsewhere; temporary employment of persons or organiza-
22 tions by contract or otherwise without regard to civil-service
23 and classification laws; acceptance and utilization of voluntary
24 and uncompensated services; lawbooks, books of reference,
25 newspapers and periodicals; printing and binding; purchase

1 of one, and hire, maintenance, operation, and repair of pas-
2 senger automobiles; travel expenses, including expenses of
3 attendance at meetings or organizations concerned with the
4 work of the Board; and not to exceed \$5,000 for deposit in
5 the general fund of the Treasury for cost of penalty mail as
6 required by section 2 of the Act of June 28, 1944 (Public
7 Law 364) ; \$250,000.

8 DEPARTMENT OF COMMERCE

9 BUREAU OF FOREIGN AND DOMESTIC COMMERCE

10 Export control: For an additional amount, fiscal year
11 1947, for "Export control", including the objects specified
12 under this head in the Department of Commerce Appro-
13 priation Act, 1947, \$600,000.

14 DEPARTMENT OF STATE

15 INTERNATIONAL OBLIGATIONS

16 Philippine rehabilitation: The third proviso of the appro-
17 priation under this head contained in the Third Deficiency
18 Appropriation Act, 1946, hereby is corrected to read as
19 follows: "*Provided further*, That the Secretary of State, or
20 such official as he may designate, is authorized to transfer
21 from any of the foregoing amounts to any department or
22 independent establishment of the Government for participa-
23 tion in the foregoing programs, sums for expenditure by such
24 department or establishment for the purposes hereof, and
25 sums so transferred shall be available for expenditure in

1 accordance with the provisions hereof and, to the extent de-
2 termined by the Secretary of State, in accordance with the
3 law governing expenditures of the department or establish-
4 ment to which transferred: *Provided further*, That transfers
5 of funds to participating agencies for the programs set forth
6 in sections 302 to 305 of the Act shall be approved by the
7 President prior to such transfers:”.

8 WAR DEPARTMENT

9 MILITARY ACTIVITIES

10 Military assistance, Philippines: Any or all of the appro-
11 priations of the Military Establishment for the fiscal year
12 1947 shall be available, in a total amount of not to exceed
13 \$19,750,000, for all expenses necessary to enable the
14 President through the War Department to carry out the
15 provisions of the Republic of the Philippines Military As-
16 sistance Act.

17 Atomic Service: The amount named in the last proviso
18 of the appropriation “Atomic Service”, contained in the Mili-
19 tary Appropriation Act, 1947, may be increased to such an
20 amount as the President may approve, which shall be deter-
21 mined and communicated to the chairmen of the Committees
22 on Appropriations of the Senate and House of Representa-
23 tives, respectively, within thirty days after the enactment of
24 this Act.

1 CIVIL FUNCTIONS—SIGNAL CORPS

2 Alaska Communication System: For an additional
3 amount, fiscal year 1947, for "Alaska Communication
4 System", including the objects specified under this head in
5 the War Department Civil Appropriation Act, 1947,
6 \$200,000, to remain available until the close of the fiscal
7 year 1948.

8 TITLE II—JUDGMENTS AND AUTHORIZED

9 CLAIMS

10 PROPERTY DAMAGE CLAIMS

11 SEC. 201. For the payment of claims for damages to
12 or losses of privately owned property adjusted and deter-
13 mined by the following respective departments and inde-
14 pendent offices, under the provisions of the Act entitled
15 "An Act to provide a method for the settlement of claims
16 arising against the Government of the United States in
17 the sum not exceeding \$1,000 in any one case", approved
18 December 28, 1922 (31 U. S. C. 215), as fully set
19 forth in House Document Numbered 725, Seventy-ninth
20 Congress, as follows:

21 Federal Works Agency, \$136.15;

22 Department of Commerce, \$71.86;

23 Department of the Interior, \$905.26;

• 24 Treasury Department, \$312.30;

25 In all, \$1,425.57.

JUDGMENTS, UNITED STATES COURTS

SEC. 202. For the payment of final judgment, which has been rendered under the provisions of the Act of March 3, 1887, entitled "An Act to provide for the bringing of suits against the Government of the United States", as amended by section 297 of the Act of March 3, 1911 (28 U. S. C. 761), and which has been certified to the Seventy-ninth Congress in House Document Numbered 719, under the following agency:

War Department, \$218.92, together with such additional sum as may be necessary to pay interest as and where specified in the judgment, and such judgment shall not be paid until the right of appeal has expired.

JUDGMENTS, UNITED STATES COURT OF CLAIMS

SEC. 203. (a) For payment of judgments rendered by the Court of Claims and reported to the Seventy-ninth Congress in House Document Numbered 726, under the following agencies, namely:

Federal Works Agency, \$49,000;

National Housing Agency:

Federal Public Housing Authority, \$8,829.05;

Treasury Department, \$12,909.42;

In all, \$70,738.47, together with such additional amount as may be necessary to pay interest as and where specified in the judgments;

1 (b) None of the judgments contained under this cap-
2 tion shall be paid until the right of appeal shall have ex-
3 pired except such as have become final and conclusive
4 against the United States by failure of the parties to appeal
5 or otherwise.

6 Payment of interest wherever provided for judgments
7 contained in this Act shall not in any case continue for more
8 than thirty days after the date of approval of this Act.

9 AUDITED CLAIMS

10 SEC. 204. For the payment of claims certified to be due
11 by the General Accounting Office under appropriations the
12 balances of which have been carried to the surplus fund
13 under the provisions of section 5 of the Act of June 20,
14 1874 (31 U. S. C. 713), and under appropriations hereto-
15 fore treated as permanent, being for the service of the fiscal
16 year 1944 and prior years, unless otherwise stated, and
17 which have been certified to Congress under section 2 of
18 the Act of July 7, 1884 (5 U. S. C. 266), as fully set forth
19 in House Document Numbered 728, Seventy-ninth Con-
20 gress, there is appropriated the sum of \$504,495.10, to-
21 gether with such additional sum due to increases in rates of
22 exchange as may be necessary to pay claims in the foreign
23 currency and interest as specified in certain of the settle-
24 ments of the General Accounting Office, to be disbursed

1 and accounted for as a single fund, and \$1,728.43 payable
2 from postal revenues; in all, \$506,223.53.

3 SEC. 205. For the payment of claims allowed by the
4 General Accounting Office pursuant to the Act entitled "An
5 Act granting travel pay and other allowances to certain
6 soldiers of the War with Spain and the Philippine Insur-
7 rection who were discharged in the Philippine Islands",
8 approved December 5, 1945 (Public Act Numbered 247,
9 Seventy-ninth Congress), and which have been certified to
10 the Seventy-ninth Congress under section 2 of the Act of
11 July 7, 1884 (5 U. S. C. 266), under the War Department
12 in House Document Numbered 724, \$30,591.32.

13 TITLE III—GENERAL PROVISIONS

14 SEC. 301. No part of any appropriation contained in
15 this Act shall be used to pay the salary or wages of any
16 person who engages in a strike against the Government of
17 the United States or who is a member of an organization of
18 Government employees that asserts the right to strike against
19 the Government of the United States, or who advocates, or
20 who is a member of an organization that advocates, the
21 overthrow of the Government of the United States by force
22 or violence: *Provided*, That for the purposes hereof an
23 affidavit shall be considered prima facie evidence that the
24 person making the affidavit has not contrary to the provisions
25 of this section engaged in a strike against the Government of

1 the United States, is not a member of an organization of
2 Government employees that asserts the right to strike against
3 the Government of the United States, or that such person
4 does not advocate, and is not a member of an organization
5 that advocates, the overthrow of the Government of the
6 United States by force or violence: *Provided further*, That
7 any person who engages in a strike against the Government
8 of the United States or who is a member of an organization
9 of Government employees that asserts the right to strike
10 against the Government of the United States, or who advo-
11 cates, or who is a member of an organization that advocates,
12 the overthrow of the Government of the United States by
13 force or violence and accepts employment the salary or wages
14 for which are paid from any appropriation in this Act shall
15 be guilty of a felony and, upon conviction, shall be fined
16 not more than \$1,000 or imprisoned for not more than one
17 year, or both: *Provided further*, That the above penalty
18 clause shall be in addition to, and not in substitution for,
19 any other provisions of existing law.

20 SEC. 302. This Act may be cited as the "First Supple-
21 mental Appropriation Act, 1947".

Passed the House of Representatives July 30, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

79TH CONGRESS
2^D SESSION

H. J. RES. 390

JOINT RESOLUTION

Making additional appropriations for the fiscal
year 1947, and for other purposes.

JULY 30 (legislative day, JULY 29), 1946
Read twice and referred to the Committee on
Appropriations

H. J. RES. 390

IN THE SENATE OF THE UNITED STATES

JULY 30 (legislative day, JULY 29), 1946

Referred to the Committee on Appropriations and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. LA FOLLETTE (for himself, Mr. BARKLEY, and Mr. WHITE) to the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year 1947, and for other purposes, viz: At the proper place in the joint resolution insert the following:

1 SENATE POLICY COMMITTEES

2 For maintenance of a staff for a majority policy com-
3 mittee and a minority policy committee in the Senate, con-
4 sisting of seven members each, for the formulation of over-all
5 legislative policy of the respective parties, the members
6 of such staffs to assist in study, analysis, and research on
7 problems involved in policy determinations, and to be ap-
8 pointed, and their compensation fixed, by the policy com-
9 mittee concerned, at rates not to exceed \$8,000 per annum
10 in any case, \$15,000 for each such committee, in all \$30,000,
11 to be available at the beginning of the Eightieth Congress.

79TH CONGRESS
2d Session

H. J. RES. 390

AMENDMENT

Intended to be proposed by Mr. LA FOLLETTE
(for himself, Mr. BARKLEY, and Mr. WHITE)
to the joint resolution (H. J. Res. 390) mak-
ing additional appropriations for the fiscal
year 1947, and for other purposes.

JULY 30 (legislative day, JULY 29), 1946

Referred to the Committee on Appropriations and
ordered to be printed

H. J. RES. 390

IN THE SENATE OF THE UNITED STATES

JULY 30 (legislative day, JULY 29), 1946

Referred to the Committee on Appropriations and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. LA FOLLETTE (for himself, Mr. BARKLEY, and Mr. WHITE) to the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year 1947, and for other purposes, viz: At the proper place in the joint resolution insert the following:

- 1 ADMINISTRATIVE ASSISTANTS TO SENATORS
- 2 For compensation of an administrative assistant to each
- 3 Senator, to be appointed by him, at a rate not to exceed
- 4 \$8,000 a year, to assist him in carrying out his departmental
- 5 business and other duties, \$384,000, or so much thereof as
- 6 may be necessary, to be available at the beginning of the
- 7 Eightieth Congress.

79TH CONGRESS
2D Session

H. J. RES. 390

AMENDMENT

Intended to be proposed by Mr. La FOLLETTE
(for himself, Mr. BARKLEY, and Mr. WHITE)
to the joint resolution (H. J. Res. 390) making
additional appropriations for the fiscal
year 1947, and for other purposes.

JULY 30 (legislative day, JULY 29), 1946

Referred to the Committee on Appropriations and
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First Supplemental
APPROPRIATION BILL FOR 1947

HEARINGS
BEFORE THE
SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
UNITED STATES SENATE
SEVENTY-NINTH CONGRESS
SECOND SESSION
ON
H. J. Res. 390
A JOINT RESOLUTION MAKING ADDITIONAL
APPROPRIATIONS FOR THE FISCAL YEAR
1947, AND FOR OTHER PURPOSES

Printed for the use of the Committee on Appropriations



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1946

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS

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FIRST SUPPLEMENTAL APPROPRIATION BILL, 1947

WEDNESDAY, JULY 31, 1946

UNITED STATES SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D. C.

The subcommittee met, pursuant to notice, at 10:30 a. m., the Honorable Kenneth McKellar (chairman) presiding.

Present: Senators McKellar, Hayden, Russell, Overton, McCarran, O'Mahoney, Bridges, Ball, and Ferguson.

The CHAIRMAN. The committee will come to order. We will first hear from Mr. Biffle.

LEGISLATIVE

SENATE

STATEMENTS OF LESLIE L. BIFFLE, SECRETARY, UNITED STATES SENATE, AND OCO THOMPSON, FINANCIAL CLERK, UNITED STATES SENATE

FUNDS REQUIRED TO EXECUTE PROVISIONS OF REORGANIZATION ACT

Mr. BIFFLE. Due to the provisions of the reorganization bill, it is necessary for us to start very soon on carrying into effect some of those provisions, and we have prepared an amendment for the consideration of the committee, and submit it to you for such action as you care to give it.

Senator HAYDEN. What did the House do about it; did they put anything in this bill for themselves?

Mr. BIFFLE. Yes, sir.

Senator HAYDEN. What did they put in?

The CLERK. On page 2.

The CHAIRMAN. Is that the similar provision you want in here?

Mr. BIFFLE. Somewhat along that line. As you know, it is going to take some time in the new Congress to reorganize the committees.

Senator HAYDEN. What is the difference between what you have got?

SUGGESTED AMENDMENT

The CHAIRMAN. Let us read it.

To enable the Secretary of the Senate to make the additional disbursements and to perform the additional duties and functions required of his office by reason of the enactment of the Legislative Reorganization Act of 1946, fiscal year 1947, \$1,800,000; and he is hereby authorized to allocate necessary portions of the said sum to the various Senate appropriations and to make transfers between same, including those contained in the Legislative Branch Appropriation Act for the fiscal year 1947, and those provided for in the said Reorganization Act.

They do not appropriate any additional money.

Mr. BIFFLE. We are trying to estimate approximately how much it will be. The House is unlimited. Use any amount that they see fit.

The CHAIRMAN. It has to be appropriated.

Mr. BIFFLE. They say there it is not necessary.

The CHAIRMAN. What is going to cost so much?

Mr. BIFFLE. For instance, if the committees are not organized by the 1st of February, there will be thousands and thousands of dollars for salaries of Senators.

I have the statement here, "The increase needed: Salaries of the Senators, \$118,667.52; committee employees, \$589,840.26; Senators and employees, \$449,000."

What committee will employ additional committee employees?

Senator BRIDGES. Have not we appropriated for Senators' salaries for the full year?

Mr. THOMPSON. At the rate of \$10,000 a year. This is the additional amount to increase to \$12,500.

Senator BALL. How about that \$2,500? Did we appropriate that for the fiscal year?

Senator BRIDGES. Yes.

OBJECTS OF EXPENDITURE OF AMOUNT REQUESTED

The CHAIRMAN. We will put this in the record, a copy of the amounts that are necessary, making up \$1,800,000.

(The statement is as follows:)

<i>Increases needed</i>	
Salaries of Senators.....	\$118, 667. 52
Committee employees.....	589, 840. 26
Senators' employees.....	449, 748. 28
Administrative assistants to Senators at \$8,000 base each.....	480, 000. 00
Vice President's salary and office, majority and minority conferences, legislative counsel, Secretary of the Senate's office, miscellaneous employees and officers, contingent expenses.....	161, 743. 94
Total.....	1, 800, 000. 00

Senator BRIDGES. You estimate that \$1,800,000 is the amount that is necessary to appropriate in order that these adjustments in the reorganization bill may be taken care of promptly when they become effective the first of the year, and continue on for the remainder of the fiscal year?

Mr. BIFFLE. Yes, sir. There are certain provisions, for instance the payment of school fees and tuition of the pages, that must start in September. They are going to start to school at that time. That is rather small, but is one of the provisions that goes into effect immediately. Some of them go into effect very soon.

Senator BRIDGES. I think we have got to do this to take care of this.

The CHAIRMAN. I voted against the bill.

Senator McCARRAN. What bill is this?

The CHAIRMAN. The reorganization bill.

Senator McCARRAN. So did I.

AMOUNT REQUIRED FOR PERIOD FROM JULY 1946 TO FEBRUARY 1947

The CHAIRMAN. What is the smallest amount that we can appropriate? Look into it and see how long we can go on this. Could you not get along until, say, February?

Senator McCARRAN. It does not go into effect until the first of the year.

Senator BALL. Some of the provisions become effective.

Mr. BIFFLE. Assuming that the committees are not organized for sometime after we meet.

The CHAIRMAN. We have a deficiency bill sometime in February or March of this next year. What will you need to go along with?

Mr. THOMPSON. I would say it would take half of it to take us through to February.

The CHAIRMAN. If we appropriated \$900,000, instead of \$1,800,000, that would get you through to February?

Mr. THOMPSON. See us through February.

Senator BRIDGES. The only thing is that the House has given unlimited funds. There is no reason why we should not take care of this.

The CHAIRMAN. They are not appropriating any new money.

Senator HAYDEN. They say subject to the approval of the Committee on House Administration:

The Clerk of the House is authorized until February 15 to incur such expenses for personal services and for supplies and materials as may be necessary to enable him to discharge additional duties imposed upon him by S. 2177.

Senator BALL. It says "imposed upon him." It does not say anything about salaries or anything else.

The CHAIRMAN. I wish you would figure out what it would be on February 15.

Mr. THOMPSON. It is difficult to figure that out.

The CHAIRMAN. You say \$900,000 would, you think, take you to that time?

Mr. THOMPSON. That is a guess.

The CHAIRMAN. Very much obliged, gentlemen.

FUNDS FOR INQUIRIES AND INVESTIGATIONS

Mr. THOMPSON. They have some resolutions pending. If they go through the Senate, we will have to have some more money for inquiries and investigations.

The CHAIRMAN. How much?

Mr. THOMPSON. \$150,000.

Senator McCARRAN. Some went through yesterday.

Senator HAYDEN. I know there was \$65,000 for the Mead committee.

Mr. BIFFLE. The Senate Campaign Investigating Committee asked for \$40,000.

Senator McCARRAN. Passed that \$30,000.

Senator BALL. Did that Kilgore committee go through?

Mr. BIFFLE. No.

Senator McCARRAN. The joint committee went through. There was a joint committee of both Houses.

Senator HAYDEN. You think you need about \$150,000.

Mr. THOMPSON. At least that much.

The CHAIRMAN. Have you got an amendment to that effect?

The CLERK. We have it.

The CHAIRMAN. I think we will have to do it.

TREASURY DEPARTMENT

STOCK PILING OF STRATEGIC AND CRITICAL MATERIALS

STATEMENTS OF HON. KENNETH ROYALL AND HON. J. L. SULLIVAN, UNDER SECRETARIES OF WAR AND NAVY AND HON. R. R. DEU PREE, CHAIRMAN, ARMY AND NAVY MUNITIONS BOARD

Mr. ROYALL. Mr. Chairman, the matter we wish to present is the appropriation for stock piling. It was not included by the House committee in its list of appropriations.

We have here in addition to myself, Mr. John Sullivan, Undersecretary of the Navy, and Mr. R. R. Deu Pree, Chairman of the Army and Navy Munitions Board, and representatives of the Treasury Department.

This appropriation is a request from the Treasury Department, who under the stock-piling bill, is charged with the duty of purchasing the requirements. The War and Navy Departments are of course the most interested in it of any of the departments.

AMOUNT OF FUND REQUIRED

Congress about 2 weeks ago passed a stock-piling bill. It was passed with the thought and in our presentation, to both Houses, that we would need in addition to the amount we would get for our surplus property, the amount of \$1,800,000,000 for an adequate stock pile for defense and military purposes.

The CHAIRMAN. I thought we should have enough left over from the last war.

Mr. ROYALL. This is stock piles of raw material principally.

The CHAIRMAN. What kind of raw material?

Mr. ROYALL. There is a list here of 27 items. I can read them to you, or, if you would permit me, I would rather let that be discussed by the Army and Navy Munitions Board who know more about it technically, and the need of them, than I do.

RECOMMEND IMMEDIATE ACTION IN ACQUIRING STOCK PILE

The War Department's view, and I think it is fully shared by the Navy Department, and we share their view, is that we should start immediately the acquisition of this stock pile. It provides, and it is designed to provide the necessary raw materials which would have to be in our possession, and which could not be acquired locally by any normal process in the event of a future war emergency.

The bill was passed with that in view. The bill is of no value at all without money to implement it.

SURPLUS PROPERTY WHICH CAN BE USED IN STARTING STOCK PILE

The point was made in the House that we have some surplus property already with which we can start this stock pile. The difficulty about that is twofold. The first thing is that that was taken into account already, and was available to us under the old law, and need for the new law and the estimates for the new law gave full account for that when we arrived at the figure of \$1,800,000,000, after crediting that. Our total needs of stock piling are estimated at \$2,100,000,000.

Senator HAYDEN. The House says present reserves are now being assembled and stock-piled. How much did you get in that bill?

Mr. ROYALL. I did not understand the question.

Senator HAYDEN. It says additional questions better can be gaged when more progress has been made in the accomplishing of the task for which funds were made available in the recently enacted Third Appropriations Act of 1946.

Mr. ROYALL. We have no money in that, have we? There was about \$18,000,000. That was a balance remaining from old appropriations, but that of course is not more than a drop in the bucket and can now only be used for purposes connected with the transfer of surplus material and not for new procurement. The other difficulty with relying on this surplus stock pile for the present is that it is totally unbalanced. We have some items, all we will ever need, and many necessary items, nothing, just like a man having shoes without a suit of clothes. He would not be well dressed.

The CHAIRMAN. If we had the necessary materials to fight and win the greatest war ever won on earth, certainly it does not seem to me that we should have to go into the stock pile this early afterward, because we had a tremendous lot of all of the materials that won the war.

Mr. ROYALL. Well, sir, we have not got the materials on hand today necessary to fight or prepare to fight another war.

The CHAIRMAN. We are trying our best right now to get a peace.

Mr. ROYALL. One of the best ways to get peace in our opinion is to be in a position where not only we know but everybody else knows we would be ready for war.

The CHAIRMAN. That is what every nation would probably think.

Senator McCARRAN. There never was a time when that was more urgent than right now.

Mr. ROYALL. We believe, sir, it is not in the field of the Army and Navy to speak on this question, but it is my personal belief that our relations with other nations, our chances of avoiding conflict, is not by a defiant and militaristic attitude, but by convincing them that we are ready for an emergency, if it should come.

SEEK TO ACQUIRE STOCK PILE OVER 5-YEAR PERIOD

We feel that this material is necessary. We are seeking to buy it over a period of 5 years. If the stock-pile theory was not correct, then of course the stock-pile bill should never have been passed in the first instance. If it was correct, it should be implemented.

As to the time of implementation, we have spread it over a period of 5 years. We feel that by the end of 5 years, the stock piling, and that was the theory upon which the bill was drawn and passed, should be complete.

SOME STOCK-PILE ITEMS TO BE REVOLVED

Senator BRIDGES. There are two questions I have. One, how is this stock-pile material stored? Is it stored in continental United States? Secondly, is it composed of 27 items? Are they all non-deteriorating items, or are there some that necessitate, by their nature, being replaced from time to time.

Mr. ROYALL. Some will have to be revolved, and the bill provides for that. In other words, before they deteriorate, to the extent that they are not useful, they will have to be revolved, and there are special provisions in there for that.

Senator HAYDEN. That will be true of rubber.

Mr. ROYALL. Of some commodities; yes.

Senator HAYDEN. Yes.

Mr. SULLIVAN. Industrial diamonds, of course, would not deteriorate and would not require rotation.

Senator HAYDEN. Or any of the rare metals, which are not produced in this country. You could stock pile those in a crude form when you could get them.

MATERIALS TO BE STORED IN UNITED STATES

Senator BRIDGES. Are those all stored in continental United States?

Mr. ROYALL. Yes, they will be stored here.

Senator BRIDGES. So in different places so they could not all be destroyed?

Mr. ROYALL. They will be distributed to a very large extent.

Senator HAYDEN. Let us hear from the Navy.

IMPORTANCE OF ACQUIRING STOCK PILE

Mr. SULLIVAN. I am here for the purpose of conveying the Navy view, that this is not only very important, but that it is urgent that this be done at the present time.

I think you gentlemen have appropriated for the Army and Navy for the fiscal year 1947 almost \$12,000,000,000. Both the Army and the Navy think that that is necessary in the present condition of the world. Very frankly, I just wonder at our lack of vision in appropriating huge sums of money to sustain an Army and Navy, and then skimping on the stockpile of critical materials which also are the very keystone of national defense.

Less than a year ago today we were engaged in a great war and all through that war, 12 months in every year, the men who were responsible for the prosecution of that war were worrying about procurement programs, because of the scarcity of these critical materials, and as the flow of these critical items ebbed, it was necessary to readjust procurement programs, and the very readjustment in and of itself cost far more than the amount of money that we are asking for here.

I know I don't need to remind you what the scarcity of these critical materials did to our civilian economy. It completely disrupted it.

It seems to me that there is always going to be a very plausible excuse for not spending this money. I am very much afraid that if now, less than a year from the end of the last war, when we all have a

vivid recollection of the horrible price we paid for inadequate stockpiling before that war, if we do not proceed now, I am very much afraid we may never get around to it.

TOTAL PURCHASES EACH YEAR UNDER PROGRAM

The original list of items calling for the purchase of \$360,000,000 a year for 5 years contains items, 90 percent of which would be bought outside of the country; for this current period, the Army and Navy Munitions Board is asking for only \$250,000,000. That is partly in deference to the desires of the CPA, and also the realistic consideration of the inability to make the full \$360,000,000 purchases in the unsettled world markets.

Senator BRIDGES. When you refer to CPA, who do you refer to?

Mr. SULLIVAN. The Civilian Production Administration.

Senator HAYDEN. That is to say, if certain of these are needed.

Mr. SULLIVAN. To rehabilitate the civilian economy, the Army and Navy will refrain from purchasing those.

Senator HAYDEN. During the war it was the other way around.

Mr. SULLIVAN. That is right.

The CHAIRMAN. I would like to know what you are going to buy.

Mr. SULLIVAN. That list is available here.

Senator HAYDEN. You have got it.

The CHAIRMAN. Tell us what it is.

Senator BALL. This is a list of material which you expect to get from surplus.

Mr. ROYALL. Refer to the second list. I do not think you have the right list. Mr. Deupree, Chairman of the Army and Navy Munitions Board, can tell you that.

The CHAIRMAN. Give us what he expects to buy with this \$250,000,000.

Senator BRIDGES. Can you not name us the 27 commodities?

The CHAIRMAN. I would like to know specifically what they expect, and how they expect to use this \$250,000,000. What sort of critical materials are they going to buy?

SURPLUS STRATEGIC AND CRITICAL MATERIALS

Mr. SULLIVAN. While he is getting that list, I think if you do not mind, I would like to clear up a point you asked the Under Secretary. You inquired why after fighting a great war, there was not enough of this critical material left to fight another one, and I think it is a very good point.

The CHAIRMAN. But enough to start a stock pile.

Mr. SULLIVAN. I think it is a very good question.

In the procurement for Army and Navy in the last war, they consumed about \$2,100,000,000 in these very items. We expect that there will be left over as surplus about \$300,000,000, or less than 15 percent of what was required during the last war.

That amount has been deducted from our appraisal of what we would need if we had to fight a similar war, and that is the reason why in the original legislation, the request was for \$1,800,000,000, rather than \$2,100,000,000.

Senator HAYDEN. Who is going to testify?

ITEMS TO BE INCLUDED IN STOCK PILE

The CHAIRMAN. Who is going to tell us what you are going to use this \$250,000,000 for?

Mr. DEUPREE. Here is a list of the items that we would hope to buy.

The CHAIRMAN. Read them out.

Mr. DEUPREE. We should not be held to them, because this might not go by items.

The CHAIRMAN. Read them out and we will determine it.

(Witness reads list referred to.)

Mr. DEUPREE. Those are some of the items that we are figuring on now, but we should not be held to them.

The CHAIRMAN. How much in money in value of those items do we have now.

Mr. DEUPREE. Of those items that we have now?

The CHAIRMAN. Yes.

Mr. DEUPREE. I could not answer that.

Senator BALL. This list here which Secretary Royall has given us, the total, some of those items are not even in this. These are materials in group A of Army and Navy Munitions Board list, and which meet stock-pile specifications. The estimated quantity which will eventually be declared surplus and moved to the stock pile is \$218,310,000.

The CHAIRMAN. How many of those items are included in the items that are to be purchased?

Senator BALL. Most of the items he read off are on this list. I would say a fourth of them are not. They are not very large quantities.

Mr. ROYALL. They have very small quantities of practically all of those items.

Mr. DEUPREE. You would not exceed one-fifth of your 5-year objective in purchase except in certain selected commodities. You might have it in the stock pile. If you did, you would not purchase, and you would not aim to exceed that percentage. We cannot lay down too definitely that these things and these things only you would procure.

DETERMINATION AS TO ITEMS TO BE STOCK-PILED.

Senator OVERTON. Who determines what are necessary to purchase?

Mr. SULLIVAN. The Army and Navy Munitions Board.

Mr. ROYALL. On the advice of an interagency committee.

Senator OVERTON. Who composes the Board?

Mr. ROYALL. The Board itself consists of the Under Secretary of War, the Assistant Secretary of the Navy, the Chairman, Mr. Deupree. Then we have an advisory board, which includes Interior, Agriculture, Commerce, Treasury and State, and the CPA.

Senator HAYDEN. Yes.

Senator OVERTON. There must be some experts who determine what are essential. For instance, the Under Secretary of the Navy would not be in a position to determine exactly what is necessary.

Mr. ROYALL. Any more than the Under Secretary of War.

Senator OVERTON. So you must have experts. Whether it is very careful consideration given to it, I want to know that, not by the

Board, but by the experts who prepare this list of essentials for the stock pile.

Is it prepared with a great deal of care?

Mr. SULLIVAN. That is done by Mr. Deupree's Board, and the Army and Navy officers are assigned to his board.

Mr. DEUPREE. It is done with a great deal of care, and based upon the Joint Chiefs of Staff thinking, too.

Senator BRIDGES. Who appoints the Munitions Board?

Mr. ROYALL. The President by Executive order created the Board, and the Executive Chairman, the Chairman who runs the Board, is appointed by the Secretary of the Navy and the Secretary of War, with the approval of the President.

Senator BRIDGES. He is the joint appointee of the Secretary of War and the Secretary of Navy with the approval of the President?

Mr. ROYALL. That is right. Mr. Deupree, as you know, is president of Procter & Gamble, and he is very patriotically serving in this capacity at the request of the President.

ITEM DISALLOWED BY HOUSE

The CHAIRMAN. Did you gentlemen go before the House?

Mr. ROYALL. We had just a few minutes notice, and I went up there myself. Mr. Deupree was out of town, and Mr. Sullivan was not available. We did not have an opportunity to make a complete presentation as we would have liked.

The CHAIRMAN. The House did not allow it.

Mr. ROYALL. That report appears there. I think you have it.

NINETY PERCENT OF ITEMS MUST BE SECURED OUTSIDE UNITED STATES

Senator BALL. Are most of these materials procured outside of the United States.

Mr. DEUPREE. Yes, sir.

Senator BALL. They have to be imported.

Mr. DEUPREE. Ninety percent of them. Theoretically, if we are going to stock pile from this country, I hope that we would stock pile in the ground, and not in the finished form.

USE OF SAPPHIRES AND RUBIES IN INDUSTRY

Senator BRIDGES. Take one item in your list here, the only item that I would question as a layman, what are sapphires and rubies used for in national defense?

Mr. DEUPREE. I would rather have someone else answer that.

Mr. ROYALL. Those are the raw materials from which jewel bearings are produced. For example, the jewels in your watch and in aircraft instruments.

The CHAIRMAN. How many of these are connected in any way with the atomic energy?

Mr. DEUPREE. I would say none in our shop, at least in most limited form.

NEED FOR STOCK PILES IN ATOMIC-BOMB AGE

The CHAIRMAN. With atomic energy in the active state, as it is now, might we not be getting stock piles that might not be useful?

Mr. ROYALL. Yes, sir; if we have the atomic bomb, and that is to be used for war purposes, we might have to change our entire plans for national defense, but I do not think you are justified in assuming that now.

The CHAIRMAN. It was very effective in the last war.

Mr. ROYALL. Yes, sir; it was. It will be very effective again.

The CHAIRMAN. All right. I think we understand it. We are very much obliged to you gentlemen.

DEPARTMENT OF LABOR

BUREAU OF LABOR STATISTICS

STATEMENT OF HON. JAMES E. MURRAY, A UNITED STATES
SENATOR FROM THE STATE OF MONTANA

EXPANDING OF COST OF LIVING STATISTICS

Senator MURRAY. The Committee on Education and Labor had before it a resolution a few days ago authorizing the Bureau of Labor Statistics to expand its activities in collecting information and reporting on prices of foodstuffs, rents, and other living essentials to cover a larger number of towns and cities. The Bureau has been carrying on a program of that kind for some time, but it becomes necessary now to expand these activities, and go into more cities and more towns of the country in order to get proper records of the price rises in the country.

At the time this resolution came before us, we did not know that it was possible for your committee to act on it. We were acting hastily in order to provide an authorization of funds for the Bureau of Labor Statistics to carry on these activities, but in the hearing Senator Ball who was present called our attention to the fact that this committee had jurisdiction of this matter, and could act on it here.

The CHAIRMAN. Has this been passed by the Senate?

Senator MURRAY. We declined to pass it on account of learning that it should be properly taken up here.

AUTHORITY FOR PROGRAM

The CHAIRMAN. It has to be authorized. The Senate Appropriations Committee can only appropriate where the matter has been authorized. This is for the purpose of furnishing information to the Congress and private groups and individuals, and the Bureau of Labor Statistics of the United States Department of Labor is hereby authorized and directed to collect information and report on prices of foodstuffs, rents, and other living essentials more frequently, and in a larger number of cities than now covered by the Bureau program, and to the extent necessary to describe the course of the prices of living essentials and rents in principal localities, on a Nation-wide basis.

For the making of these studies, there is hereby authorized to be appropriated out of any money of the Treasury not otherwise appropriated the sum of \$250,000.

Senator RUSSELL. I think what you are driving at is that the report is authorized by existing statute. This is just a question of the intensity of the work and the extent of the work that we have had requests for.

The CHAIRMAN. Is there a law authorizing that?

Senator BALL. The basic law authorizes the collection of these statistics. Their purpose in trying to get that resolution through, they did not know there was going to be another deficiency bill, and they wanted that to authorize and to incur a deficit. That is what it amounted to.

LETTER FROM SENATOR MURRAY AND SENATE JOINT RESOLUTION 182

The CHAIRMAN. We will have this letter put in the record at this point.

(The letter and resolution are as follows:)

UNITED STATES SENATE,
COMMITTEE ON EDUCATION AND LABOR,
July 27, 1946.

HON. KENNETH McKELLAR,
Chairman, Senate Committee on Appropriations,
Washington, D. C.

DEAR SENATOR McKELLAR: This morning the Committee on Education and Labor met to consider Senate Joint Resolution 182 (attached) authorizing an appropriation of \$250,000 to enable the Bureau of Labor Statistics to collect price and rent information in additional cities and at more frequent intervals.

The committee for reasons I shall make reference to below, unanimously expressed itself in favor of the work contemplated under the resolution. However, we were informed that the House Appropriations Committee is planning to report on Monday, July 29, a joint resolution providing additional appropriations for the fiscal year of 1947. Since Senate Joint Resolution 182 was introduced before we knew that an additional appropriation would be passed at this session, the committee unanimously recommended that instead of reporting this resolution which would in effect authorize the incurrence of a deficiency, we should recommend to your committee that it make adequate provision for the work which this resolution would authorize in the new appropriation.

We are all aware of the dangers of inflation. Changes in the prices of commodities have been important news for some time. There has been a great deal of dispute as to the true facts. There is a decided difference of opinion as to what the future holds with reference to prices. The country is entitled to current and accurate information on this vital subject.

The Bureau of Labor Statistics, of the Department of Labor, is the agency of the Government that is charged with the duty of furnishing this information. Since July 1, when price control ceased to operate, the demands upon the Bureau for price statistics have been extremely heavy. To meet these demands the Bureau has issued its regular reports daily on prices of 28 basic commodities and on wholesale prices weekly, and it has expedited its monthly collection of information on consumer prices at retail and has also obtained telegraphic reports on retail prices for 16 foods in 12 large cities. It is at the retail level that greatest interest centers for the ordinary citizen. Even this service is not sufficiently extensive or detailed enough to furnish a complete and reliable statistical summary of the price situation. Moreover, these current special and prompt services cannot be continued because of the lack of funds of the Bureau.

It is also important to furnish the public with immediate information concerning rents. During the past month there has been no rent control in many areas. It is important to have available current information as to the extent of the rent increases in such areas and as to the effect of the rent roll-back ordered by the Office of Price Administration. Ordinarily the Bureau of Labor Statistics collects information with reference to rents on a semiannual basis in only 34 large cities.

Under the demands of the existing situation, it is imperative that rent information be collected more frequently and cover a larger area of investigation. Investigation must also be made in small towns as well as large cities if we are to have a reliable picture of the national rent situation.

For these reasons the committee authorizes me to recommend that an appropriation for this work be included in the joint resolution which it is expected will be before your committee next week.

With kindest regards, I am,

Very cordially,

JAMES E. MURRAY, *Chairman.*

[S. J. Res. 182, 79th Cong., 2d Sess.]

JOINT RESOLUTION To authorize the Bureau of Labor Statistics to collect price and rent information in additional cities and at more frequent intervals, and for other purposes

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of furnishing information and reports to the Congress, various Federal agencies, and private groups and individuals during the price emergency, the Bureau of Labor Statistics of the United States Department of Labor is hereby authorized and directed to collect information and report on prices of foodstuffs, rents, and other living essentials more frequently and in a larger number of cities than now covered in the Bureau's program to the extent necessary to describe the course of prices of living essentials and of rents in principal localities and on a Nation-wide basis.

For the purpose of making these studies, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$250,000 to be available until expended.

Senator MURRAY. We thought that this committee would act on it and provide this appropriation, so that the Bureau could carry on the activities it is engaged in.

Senator HAYDEN. What you want us to do is make an additional sum of money available to the Bureau.

Senator MURRAY. That is correct. Otherwise the Bureau would have to discontinue some other activities which are important also, if it is to be required to carry out this extended program.

AMOUNT OF ADDITIONAL APPROPRIATION RECOMMENDED

Senator OVERTON. What increase in the appropriation do you suggest?

Senator MURRAY. We suggest \$250,000. Of course that was just an arbitrary sum. It might not cost that much. It was just an authorization so that they could go ahead and do the work, and then get a deficiency appropriation.

Senator OVERTON. What does the Bureau say they need?

Senator MURRAY. They suggested the \$250,000.

The CHAIRMAN. All right, sir. Thank you.

NO BUDGET ESTIMATE HAS BEEN SUBMITTED TO CONGRESS

Senator BALL. Did they get a Budget estimate on that?

The CLERK. No.

Senator MURRAY. Senator Ball, did not the official that represented the Bureau say that they were intending to immediately go to the Budget?

Senator BALL. They were going to try to get a Budget estimate. They may not have had time.

EXECUTIVE OFFICE OF THE PRESIDENT

ARMED FORCES LEAVE PAYMENTS

STATEMENTS OF MAJ. GEN. GEORGE J. RICHARDS, DIRECTOR, BUDGET DIVISION, WAR DEPARTMENT GENERAL STAFF; COL. H. H. CHRISMAN, OFFICE, CHIEF OF FINANCE; COMMANDER C. B. ARRINGTON, ASSISTANT CHIEF, BUDGET DIVISION, REPRESENTING THE COAST GUARD; EDWARD F. BARTELT, FIRST ASSISTANT SECRETARY OF THE TREASURY; MAJ. GEN. W. H. KASTEN, CHIEF OF FINANCE; CLIFTON E. MACK, DIRECTOR OF PROCUREMENT, TREASURY DEPARTMENT

General RICHARDS. You recall that Congress passed, or rather the conferees yesterday agreed upon, the latest revision of H. R. 4051; and the President, in anticipation of its passage, sent up a request for funds. Various witnesses are here to testify on the bill.

The CHAIRMAN. All right, sir. We will listen.

ADMINISTRATIVE FUNDS REQUIRED BY WAR DEPARTMENT

General KASTEN. I will be brief, because the part in which I am interested for the War Department is the administrative costs to make payments under this bill.

Our original estimate was \$13,548,000. Broken down, Finance Service, Army, for the pay of the Army, \$5,199,630. That is for additional Adjutant General employees. Travel of the Army, \$5,000. For the additional clerical personnel required to make these payments, \$7,939,608. This makes a total for the Finance Service, Army, 1947, of \$13,144,238.

In addition to that there is \$120,762 for Quartermaster Service Army, for additional supplies.

Engineer Service, Army, 1947, \$170,000. That is necessary, because we may have to rent additional space for the increased personnel that is necessary to make these payments in different sections of the United States.

Printing and binding, \$113,000, for the application forms which the men use, making a total, as I said, of \$13,548,000.

However, I do desire to bring to the attention of the committee that with the change, as I understand it, which was made yesterday in conference, changing the payments——

Senator HAYDEN. From cash to bonds.

CHANGE MADE BY CONFEREES RESULTS IN ADDITIONAL FUNDS BEING
NECESSARY AT PRESENT TIME

General KASTEN. The change where they cut the accumulated leave limit from 90 days to 60 days will necessitate additional cash and bond payments to the officers and men for an additional month over what we estimated when I appeared before the House committee.

That amounts to approximately \$88,218,000 additional which will be needed. I merely bring that to your attention.

Senator BALL. I do not get that.

General KASTEN. In the way the bill was originally written up, all members of the armed forces were entitled to 120 days cumulative leave or furlough. Then it was changed to 90 days; and the bill also provided that those who had over 90 days would also be paid under the same method the bill provided for. For instance, if an officer or an enlisted man had on August 31 of this year, 120 days accumulated leave, that 90 days would remain to his credit; and he would be paid for the remaining 30 days in cash and bonds.

Yesterday the conferees changed that 90 days to 60 days. So the point I am making is that it adds a 30-day payment to all of these people, which amount I estimate to be \$88,218,000 more.

You realize it is a case of paying them now instead of whenever they go out, some years from now. It is a payment which will be made one way or other. It is to be paid in the future. By changing from 90 to 60 days, you throw in an additional month.

Senator BALL. From here on nobody can accumulate more than 60 days. They changed that provision in the bill.

General KASTEN. That is right.

Senator BALL. I thought it was 90 days in both the House and Senate.

General KASTEN. Until the conference report, it was 90 days.

Senator BALL. It passed both the House and Senate as 90 days, but the conference made it 60.

Senator HAYDEN. This bill passed the House carrying \$2,431,000,000. That is the estimated amount to pay the entire bill. Is that right?

General KASTEN. That is the amount estimated to be paid out during fiscal year 1947. It is estimated that about 10 percent of the total will be paid in fiscal year 1948. I think that was the entire Army-Navy amount.

Senator HAYDEN. The conferees came along and said, we pay a certain amount in cash, the bulk of this payment is going to be made in a bond that is payable 5 years from now.

General KASTEN. Yes.

NEED FOR CASH SINCE GREATER PART OF PAYMENTS ARE TO BE
MADE IN BONDS

Senator HAYDEN. Why do we have to put so much cash in this bill?

Senator BALL. That language provides that the cash goes to the Treasurer of the United States in amounts representing the face value of the bonds, just a bookkeeping matter.

The CHAIRMAN. We appropriate \$2,000,000,000. That pays the whole business.

General KASTEN. In part.

The CHAIRMAN. Why did we appropriate cash when we are going to pay the greater part of it in bonds?

Mr. BARTELT. That is the principal reason I am here. The Treasury feels, for several reasons, that the Congress should provide the appropriation at this time to cover the full cost of this bill, including the bonds.

The CHAIRMAN. Including the bonds. I thought the whole thing was to cost \$2,431,000,000.

Mr. BARTELT. For fiscal year 1947, that is right, including the payment for the bonds. We feel in the first place it would be in harmony with the constitutional provision, that no money shall be withdrawn from the Treasury except pursuant to appropriations made by law. Secondly, we think it is in the interest of sound fiscal procedure and the credit of the United States. The Treasury should be paid for all of the bonds that it issues. Either we should get cash from the people to whom we sell bonds, or, as in the present case, we should be paid by the Department, the War and Navy Departments principally, from appropriations made to them by the Congress for the purpose indicated.

The CHAIRMAN. Is that the way it was done in all of the bonds that we issued during the war?

Mr. BARTELT. Yes; back in 1936, when you paid the adjusted service certificates with bonds, you considered that and you made an appropriation to cover the issuance of the bonds.

Senator HAYDEN. If you sell a bond to a private individual, you get the cash in the Treasury.

Mr. BARTELT. That is right. That increases our cash and our public debt; in this case, the theory is the same, except that it increases our expenditures instead of our cash. We get paid for the bonds, that is, the Treasury gets paid for the bonds and the proceeds are covered into the Treasury as public-debt receipts. Our money accounts then reflect the liability for the outstanding securities. The appropriation is charged to cover the payment and it thus becomes a current charge against this year's Budget.

Senator HAYDEN. Over a period of years.

Mr. BARTELT. As Senator Ball says, it is in the nature of a book-keeping transaction, but I think it is deeper than that. It is a formal charge against our current expenditure accounts. It goes in the Budget this year as an expenditure charge, and simultaneously into the outstanding public debt of the United States.

Senator BALL. As a matter of fact, the conference report, as I understand it, provides the veterans can cash these bonds immediately to reconvert their national life insurance.

Mr. BARTELT. That is an additional reason why an appropriation should be made.

Senator BALL. That means that you would pay out cash immediately.

Mr. BARTELT. The particular fund in that case would be credited, such as the national service life insurance fund; but in certain other cases, the bonds may be redeemed prior to maturity in actual cash, such as in the case of death. That, however, is only an additional reason why the appropriation should be provided, but aside from that——

Senator OVERTON. You cannot issue bonds without having the corresponding amount in the Treasury.

Mr. BARTELT. That is correct.

Senator OVERTON. You have got to have the money against the outstanding bonds.

Mr. BARTELT. That is right. We think it would be a mistake to have any public debt outstanding which has not been paid for either

by actual cash deposited in the Treasury, or as in this case an appropriation charged to the expenditures accounts of the Government which comes through the Appropriations Committees of the two Houses of Congress.

REASON FOR HOUSE REDUCTION

The CHAIRMAN. The estimate was \$2,679,483,000. The amount that the House appropriated was \$2,431,000,000, which was somewhat less. Why was that deduction made by the House, if you know?

Colonel CHRISMAN. That was done, Senator McKellar, because the House did not desire to appropriate money for use beyond the end of the fiscal year 1947. The estimate, as it came up from the President, included the total cost of the bill; and it was estimated that 10 percent of that amount would run into the fiscal year 1948. Therefore, the House Appropriations Committee recommended, and the House appropriated, only 90 percent of the direct cost of this bill. The Congress will be called upon to make a further appropriation to be used in fiscal year 1948.

Senator BALL. What are you asking here, an increase in the amount allowed by the House of \$88,000,000?

General KASTEN. I am not asking for it. I am bringing to your attention that there is that additional cost, so far as the Army is concerned.

Senator BALL. That will all come in this fiscal year? You have got to settle up this accrued leave immediately.

General KASTEN. We figure that it will come in this fiscal year.

The CHAIRMAN. Do you think you can get along with the \$2,431,000,000?

General KASTEN. That is the original amount estimated to be required during fiscal year 1947.

The CHAIRMAN. That is the amount that the House appropriated.

General KASTEN. Yes, sir.

The CHAIRMAN. It is all more or less of an estimate; is it not?

General KASTEN. That is true. It is based on many factors. We have our records here to tell you how we arrived at this estimate.

Senator BALL. Does that \$88,000,000 include the Navy?

General KASTEN. I am just speaking of the Army. The Navy requirement might amount to as much as \$30,000,000.

EXCERPT FROM HOUSE REPORT

Mr. BARTELT. May I read from this report? This is the House report.

It should be made clear that the estimate of the whole cost is purely an estimate. It was stated to the committee that it is utterly impossible to state accurately how much will be paid veterans since the exact figures as to the amounts of furlough taken during active service are not available.

The CHAIRMAN. I think we understand it.

LEGISLATIVE

SENATE POLICY COMMITTEES

The CHAIRMAN. All right, Senator La Follette.

STATEMENT OF HON. ROBERT M. LA FOLLETTE, JR., A UNITED STATES SENATOR FROM THE STATE OF WISCONSIN

Senator LA FOLLETTE. Mr. Chairman and members of the subcommittee, I am here to suggest the consideration to the committee of two amendments, both of the amendments introduced by myself and the Senator from Kentucky, Mr. Barkley, and the Senator from Maine, Mr. White.

One of the amendments provides for the staff of the Majority and Minority Policy Committees, which were recommended in the original report of the Joint Committee on Reorganization of the Congress, and also contained in S. 2177 when it passed the Senate. They were stricken out in the House, when the substitute amendment was offered; and, as the Senators know, the session was so near its conclusion, that it was determined that it was better policy to accept the House action than to try to send it to conference, which at this late stage in the proceedings might have resulted in the bill not being enacted.

Since this relates only to the Senate, I have the feeling, because of the comity which exists between the two Houses regarding matters relating to their own assistants, that it should not receive any opposition in conference.

AMENDMENT SUGGESTED

The amendment is drawn so as to make the money available with the beginning of the Eightieth Congress, and the sum provided is one-half of the amount carried in the original bill as it passed the Senate, because there would only be one-half of the fiscal year remaining.

I will, with your permission, insert it here.

(The amendment referred to is as follows:)

[H. J. Res. 390, 79th Cong., 2d sess.]

AMENDMENT Intended to be proposed by Mr. LA FOLLETTE (for himself, Mr. BARKLEY, and Mr. WHITE) to the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year 1947, and for other purposes, viz: At the proper place in the joint resolution insert the following:

SENATE POLICY COMMITTEES

For maintenance of a staff for a majority policy committee and a minority policy committee in the Senate, consisting of seven members each, for the formulation of over-all legislative policy of the respective parties, the members of such staffs to assist in study, analysis, and research on problems involved in policy determinations, and to be appointed, and their compensation fixed, by the policy committee concerned, at rates not to exceed \$8,000 per annum in any case, \$15,000 for each such committee, in all, \$30,000, to be available at the beginning of the Eightieth Congress.

Senator OVERTON. How many experts are contemplated for this policy committee?

Senator LA FOLLETTE. The committee would determine that. The amendment provides that rates are not to exceed \$8,000 per annum in any case, and it provides \$15,000 for each party committee, so the party committees themselves would have to determine the salaries paid within the ceiling, and also the number.

Senator OVERTON. That was contemplated in this Senate version.

ADMINISTRATIVE ASSISTANTS TO SENATORS

Senator LA FOLLETTE. That was the Senate version of the original bill. The other amendment that I would like to bring to your attention is for the administrative assistant to each Senator at a rate not to exceed \$8,000 per year, and in that case also one-half of the estimated total appropriation is provided for for the same reason.

One of the reasons I would like to urge this on the consideration of the subcommittee and the full committee, is that while it is true that neither the policy committee staffs nor the administrative assistants could be appointed until the beginning of the new Congress, Senator Barkley, Senator White, and I felt that it would be of advantage, both to the majority and minority, and to the individual Senators, if they knew that the policy committee staffs and the administrative assistants to Senators would be available, and thus during the adjournment persons could be interviewed and rather than to wait until Senators had returned to Washington and were not in their States, and did not have this opportunity to look for the kind of high-caliber man which I feel sure is what they need, and will want to appoint. I will insert the amendment referring to administrative assistants to Senators.

(The amendment is as follows:)

[H. J. Res. 390, 79th Cong., 2d Sess.]

AMENDMENT Intended to be proposed by Mr. LA FOLLETTE (for himself, Mr. BARKLEY, and Mr. WHITE) to the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year 1947, and for other purposes, viz: At the proper place in the joint resolution insert the following:

ADMINISTRATIVE ASSISTANTS TO SENATORS

For compensation of an administrative assistant to each Senator, to be appointed by him, at a rate not to exceed \$8,000 a year, to assist him in carrying out his departmental business and other duties, \$384,000, or so much thereof as may be necessary, to be available at the beginning of the Eightieth Congress.

I think unless there is some question, that is all. I have the recommendations of the joint committee, and the report of the select committee here, but unless there are some questions, I think everyone understands it.

Senator HAYDEN. I think it might be well for you to take those pages out and put them in.

Senator LA FOLLETTE. I ask that there be inserted from the joint committee report, the statement concerning policy committees which begins on page 12, and from the joint committee's report, the statement concerning the administrative assistants, which begins on page 15.

The CHAIRMAN. Without objection, it will be inserted.

(The document referred to is as follows:)

II. MAJORITY AND MINORITY POLICY COMMITTEES

Strong recommendations were made to your committee concerning the need for the formal expression within the Congress of the main policies of the majority and minority parties. These representations called for some mechanism which could bring about more party accountability for policies and pledges announced and made in the national platforms of the major political parties.

These recommendations were based on the theory that in a democracy national problems must be handled on a national basis. Only through the expression of the will of the people by their support of political parties on the basis of their platform pledges can the majority will be determined. Likewise the minority viewpoint is also expressed in support of the minority platform.

No one would claim that representative democracy as we know it today could exist without majority and minority parties. The 435 voices of the House and the 96 of the Senate would be a confused babel of conflicting tongues without party machinery. Instead of unorganized mob rule where the strength of varying viewpoints cannot be measured or determined, party government furnishes a tug-of-war in which the direction and strength of opposing viewpoints can be more or less accurately measured and weighed.

Under the American party system there are always two main groups, each checking the other and offering the choice of alternative courses of action. Around these two groups Congressmen can rally and express themselves, helping in party caucuses to determine the policy for their group.

Your committee recognizes the need for freedom of action on the part of the individual Member of Congress and his right to vote at any time against the announced policy of his party. But we feel that if party accountability for policies and pledges is to be achieved, stronger and more formal mechanisms are necessary. The present steering committees, an informal and little-used device, seldom meet and never steer.

We recommend that these be replaced with the formal establishment in the House and the Senate of majority and minority policy committees. The majority policy committees of the two Houses would meet jointly at frequent intervals, as would those of the minority, to formulate the over-all legislative policy of the two parties. The majority policy committee of each House would also hold frequent meetings to consider its role in expediting consideration and passage of matters pledged to the people by their party.

* * * * *

2. RELIEVING MEMBERS OF NONLEGISLATIVE WORK LOAD

Recommendation: That each senatorial and congressional office be authorized to employ a high-caliber administrative assistant at an annual salary of \$8,000 to assume nonlegislative duties now interfering with the proper study and consideration of national legislation.

Testimony introduced during our hearings estimated that as high as 80 percent of the average Member's time is spent in nonlegislative work. Expansion of governmental activities during the past 25 years has vastly increased the volume of correspondence and the requests for service from the Member's home State and district.

Many of these time-consuming details and errands must be serviced somewhere if the people are to continue to have a clearinghouse for their problems in the Nation's Capital. While it is true that the Constitution does not place this burden directly upon the Congress, nevertheless service to constituents has long been an accepted part of the job of a Member of Congress.

A small part of such service is useful in helping to untangle many problems that would otherwise receive cursory or scant attention. No other governmental agency could perform this function so cheaply or with the patience, understanding, and personal interest of congressional offices. It affords one of the few remaining direct contacts between the citizen and his elected Representative. Constituent inquiries also serve to keep Members alert to problems arising under legislation passed by Congress or from the operation of administrative programs. Your committee has studied ways of divesting Members of some of this nonlegislative work load. We find it is neither possible nor advisable to eliminate this service now performed by congressional offices. But the rendering of this service requires increased help in Members' offices in order that they may have adequate time for their duties as national legislators.

At various times Congress has increased Members' stenographic and clerical help as the work load of services to constituents has increased. But we have done

nothing to transfer from Members' shoulders the principal burden of this non-legislative business. Through the appointment of a competent assistant capable of assuming a large part of this service burden, Members can be released for the performance of their legislative duties.

Therefore we recommend that each congressional office be authorized to employ a high-caliber administrative assistant at \$8,000 per year whose duty would be to relieve the Member of a substantial part of the nonlegislative work load and departmental business now carried by the individual Congressman.

Senator LA FOLLETTE. Also, the reference to the policy committees in Report No. 1400, which accompanied the Senate bill 2177, which is on page 4, and the statement concerning the administrative assistants, which is on page 7, and I have marked these for the convenience of the reporter.

The CHAIRMAN. That will be done.

(The document referred to is as follows:)

With a view to crystallizing the determination of party policy on major issues, and to strengthen party government as an offset to organized group pressures, S. 2177 provides for the establishment of majority and minority policy committees in each House. Each of these four committees would be composed of seven members appointed in its entirety at the opening of each new Congress. The majority and minority policy committees in both Houses would be appointed by their respective majority and minority conferences. There is no unity of command in Congress today. Responsibility for the development and coordination of legislative policy is scattered among the chairmen of 81 standing committees, who compete for jurisdiction and power. As a result, policy making is splintered and uncoordinated. The proposed policy committees would formulate over-all legislative policy of the respective parties and strengthen party leadership. They would also help to promote party responsibility and accountability for the performance of platform promises.

* * * * *

Congressmen are also handicapped by a host of routine chores for constituents which they are glad to perform, but which leave them little time for the adequate study of national legislative problems. From one-half to three-fourths of the time of the average Member is consumed with running errands and knocking on departmental doors on behalf of constituents. S. 2177 authorizes each Senator and Representative to employ a well-qualified administrative assistant to aid in receiving callers and handling departmental business.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF PRICE ADMINISTRATION

STATEMENT OF PAUL PORTER, ADMINISTRATOR, AND JAMES G. ROGERS, DEPUTY ADMINISTRATOR, OFFICE OF PRICE ADMINISTRATION

The CHAIRMAN. We will next hear from Mr. Porter. We have a letter which we will insert in the record.

(The document referred to is as follows:)

LETTER FROM ADMINISTRATOR

OFFICE OF PRICE ADMINISTRATION,
Washington 25, D. C., July 29, 1946.

The Honorable KENNETH McKELLAR,
Chairman, Senate Appropriations Committee,
United States Senate, Washington, D. C.

DEAR SENATOR McKELLAR: This letter is presented in explanation of the President's request for a supplemental appropriation of \$26,000,000 for the Office of Price Administration. I regret very much burdening your committee with a further request for funds at this time, but the circumstances with which the agency is confronted leave me no choice.

FUNDS NOW AVAILABLE

The President on July 23 approved the Third Deficiency Appropriation Act which included \$75,000,000 for the Office of Price Administration. Except for the amount of money allowed, the appropriation was approved in substantially the form developed by the House Committee on Appropriations after our appearance before it in June. The House of Representatives, you will recall, approved the sum of \$106,650,000, three-fourths of the amount requested for the agency for the fiscal year 1947.

The \$106,650,000 allowed originally by the House was not, as we understand the language of the appropriation act and the report of the House committee, intended to finance the work of the Office of Price Administration for a full year. Since it was not known at the time the appropriation act was under consideration what form the substantive legislation of the Office of Price Administration for the fiscal year 1947 would take, and indeed was not certain that Congress would renew the Emergency Price Control Act in its entirety, the appropriation was designed to cover any of several possible eventualities from outright liquidation to substantially full operation. The Director of the Bureau of the Budget was made responsible for determining, within 30 days after the passage of the substantive legislation, the amount of money required to finance the program authorized by the legislation. The Director of the Bureau of the Budget was authorized to approve apportionments and the agency to incur obligations up to a rate not to exceed that provided by the original estimates plus the cost of the Employees Pay Act of 1946 and any cost required for liquidation.

Under the circumstances, this seemed a reasonable approach to our appropriation problem. At the rate of expenditure proposed in the agency's original estimates plus the added cost of the Employees Pay Increase Act, the \$106,650,000 originally allowed by the House would have financed the work of the agency until approximately February 15, 1947. That seemed to provide sufficient time for the Congress to review the further requirements of the agency and to make such additional appropriations as would be required to complete the fiscal year.

Unfortunately, the Senate, although it accepted the underlying reasoning of the House version of the bill and retained the language authorizing the over-obligation of funds, cut the appropriation to \$56,650,000, a reduction of \$50,000,000. This figure was raised to \$75,000,000 in conference.

REASON FOR IMMEDIATE ADDITIONAL APPROPRIATION

If the Congress were expected to be in session during the next several months, there would be no immediate need for the agency to request a supplemental appropriation. We could operate at the rate made necessary by the substantive legislation and approved by the Director of the Bureau of the Budget. After a reasonable period of operating experience, we could present our additional requirements to the Congress. The adjournment of Congress, however, is imminent, and there is little prospect that, after adjournment, additional requirements of this agency can be considered until the new Congress convenes in January. Considering the length of time that would be required to obtain congressional approval of additional funds after the convening of a new Congress, it seems reasonable to assume that we must operate until at least February 15, 1947, on funds made available at the present session of Congress. In other words, we must either obtain additional funds now or must reduce our activity to a level which can be financed for the period between July 1 last and a time when Congress is in a position to consider a further appropriation.

To illustrate the problem this creates, I should like to indicate the period of operations we can finance on \$75,000,000 under each of three assumptions. In the first place, to operate in accordance with the original Budget estimates would require the obligation of \$75,000,000 by approximately December 1, 1946. Merely to continue the rate of employment as of June 30, 1946, will require the obligation of \$75,000,000 before the end of December 1946. To operate in accordance with the revised Budget estimate (upon which this supplemental request is based) would require the obligation of \$75,000,000 by December 15. Each of these three estimates takes into account the increased cost resulting from the Employees Pay Act of 1946, an expense which we must bear currently.

FLEXIBILITY OF APPROPRIATION LANGUAGE NULLIFIED

It is obviously impossible to reconcile the language of the appropriation act permitting the Director of the Bureau of the Budget to authorize expenditures up to the rate of the original estimates, plus the cost of the pay increase, with

the \$75,000,000. If we are held to this figure, the flexibility wisely provided in the appropriation language will be entirely nullified. Instead of being able to adapt the appropriation to the needs of the program authorized by the substantive legislation, we shall be forced to fit the program which can actually be administered to the fund limitations.

It seems to me, therefore, that even at this late date we must attempt to present to you our judgment of the work load which the new price-control act will involve. In the first place, the new act is substantially as extensive in its application as was the act upon which our original estimates were based. No change has been made which will eliminate any significant amount of work. There are some changes in the legislation and some other changed circumstances which warrant changes in the detail of the Budget estimates as originally submitted. In total, these changes involve net savings, but they are not so extensive as to make the original estimates inappropriate. For purposes of illustrating our requirements, therefore, we have prepared exhibits showing the personnel employment by month originally projected for the fiscal year, the reduction or increases made necessary by changes in the act or other circumstances, and the revised projected employment. Salary costs for the proposed employment are shown both at the 1946 pay rates and at the rates now in effect.

EFFECT OF EMPLOYEES PAY INCREASES

Before considering the principal changes in the agency's budget, I should like to call attention to the effect of the Employees Pay Act of 1946. The pay increases which were made effective as a result of this act represent an expense which we must meet currently and for which we are authorized by our appropriation act to obligate funds above the rate provided by the Budget estimate of \$142,200,000. On the basis of the original estimate they represent an added expense of \$15,477,000.

In the normal operation of the Government-wide employment ceiling imposed as a part of the Pay Increase Act, this agency may be required to absorb some part of the total cost of salary increase. It does not appear, however, to have been the intention of Congress that we absorb all of the cost. Nevertheless, if we are required to operate until after the convening of Congress in January under an appropriation of \$75,000,000, we shall have to absorb all the pay increase for the first 6 months of the year and make program reductions in addition.

In contrast, agencies which have been given a full year's appropriation can over-obligate to meet the added cost of the pay increase during the next several months without exhausting their appropriation before the new Congress convenes and has had an opportunity to consider their added requirements.

REVISIONS IN OPA BUDGET

The changes in our budget estimate made necessary by changes in the basic legislation and other changed circumstances are outlined in detail in the attached exhibits. In summary, however, they are as follows:

Increases

Increased employment in the price activity, reaching a peak of 700 positions during the second quarter, and totaling 316.7 man-years is required by the Barkley amendment and other changes in the Price Control Act.

Savings

1. Net saving of 1,342.9 man-years in all activities, made possible by the fact that since expiration of the Price Control Act on July 1 no effort has been made to recruit in accordance with the original budget, and employees have not been replaced as fast as they have resigned, together with the fact that because of this delay in beginning recruitment, the employment peak originally planned for the enforcement activity will not now be attained.

2. A saving of 40.4 man-years, made possible by the decontrol of petroleum and tobacco, under the terms of the new act, 9 months earlier than planned in the original estimates.

3. A reduction totaling 133.7 man-years in the information activity to bring the activity within the limitation of \$1,750,000 established in the appropriation act.

4. A reduction of 211.4 man-years in price-control boards, made possible by a slight reduction in the number of boards, as a part of general improvement in board administration since the original estimates were prepared.

5. Savings and increases in other objects of expense proportional to the changes in personal services.

The net effect of these changes is a reduction of 1,026.2 man years or money savings on an annual basis of \$4,188,691.

ONLY INCREASE ATTRIBUTABLE TO NEW LEGISLATION

It should be pointed out that the only significant increase in this revised budget is directly attributable to new requirements of the price control act and that the proposed budget makes only a minimum provision for the increased work load. We propose to add staff only to the Price Department although because of the new legislation additional work must be absorbed elsewhere in the agency, particularly in the Accounting Department.

WORKLOAD ADDED BY THE NEW PRICE CONTROL ACT

The Price Control Extension Act of 1946 imposes on OPA a heavy additional workload in four principal respects. First, the Wherry-Crawford and Fulbright amendments require that OPA go back and change a large number of regulations and a still larger number of individual company orders which fix wholesale and retail prices with lower margins than required by these amendments. This involves a reexamination of all those regulations and orders by the price staff and the drafting of modified regulations and orders by the legal staff.

Second, the Barkley amendment, along with the decontrol plans, brings the industry advisory committees much more directly into OPA operations than heretofore. Not only are all the expenses related to existing committee operations enlarged but many additional committees will have to be formed. Furthermore, an extensive program of industry meetings, often involving travel on the part of the OPA staff, must be carried out in order to explain such provisions as the Barkley and decontrol amendments to the advisory committees. When the committees come to apply under the Barkley amendment they will require extensive consultation with OPA's price and accounting staffs concerning their rights under the amendment and the information which they must provide with their petitions.

Third, the Barkley amendment makes it possible to reopen every price adjustment made by OPA since VJ-day and in addition raises a question about ceiling prices that have not been changed for more than a year. While we know that many industries will not seek adjustments under the provisions of this amendment, when only minor changes in price would result, nevertheless the number of adjustments we will have to handle will be very much increased. In the past, moreover, most adjustments have been industry-wide on all products, based primarily on profit and loss statements which are easily available and easily analyzed. The Barkley amendment shifts the basis of adjustment to a product-by-product analysis which requires product cost data that are difficult to obtain and analyze.

Fourth, provisions of the Price Control Act covering decontrol of commodities will necessitate the establishment of a Decontrol Division. This division will be under the direction of a Deputy Administrator with authority to hold hearings which industry advisory committees may request. The functions of the Decontrol Division will include information service to industry advisory committees on the procedures to be followed and data to be submitted in petitioning for decontrol action. Petitions will be received by the Division, analyzed, and a brief prepared either granting or denying the petition. Assistance from existing branches and divisions will be obtained whenever required. The tight time schedule specified in the act (15 days for grant or denial of petitions) will require effective procedures and efficient administration throughout. The Division will be composed of analysts, who will process the petitions and prepare economic briefs in support of grant or denial orders, and of administrative personnel who will control the processing of actions and assure meeting of deadlines. The Division will initially be composed of 25 persons.

Admittedly, we cannot now foresee all the administrative consequences of the new legislation. We do not know what policies may be followed by the new decontrol boards, either as to the reestablishment of controls on meat and dairy products or as to future decontrol actions. Obviously any major change in the decontrol timetable upon which our estimates are based might have budgetary consequences. It seems to me, however, that adequate safeguards have been provided against such possible changes. In the first place, we are not asking for funds to operate for a full year. Without major program changes, we shall certainly have to present our needs to Congress early in the next calendar year,

Office of Price Administration—permanent personnel employment by month; duty status man-years, and base salary costs for old and new salary rates—estimated fiscal year 1947—Continued

[(1) Original Budget estimate submitted to Congress and (2) revised Budget estimate based on changes in the Price Control Act and delayed recruitment]

Activities	July 1, 1946	July 31, 1946	Aug. 31, 1946	Sept. 30, 1946	Oct. 31, 1946	Nov. 30, 1946	Dec. 31, 1946	Jan. 31, 1947	Feb. 28, 1947	Mar. 31, 1947	April 30, 1947	May 31, 1947	June 30, 1947	Man- years	Base salary costs	
															Estimated 1946 rates	Estimated 1947 rates
Administrative:																
Original Budget.....	2,935	2,935	2,935	2,935	2,935	2,935	2,935	2,935	2,935	2,898	2,664	2,662	1,864	2,895.2	6,900,300	7,875,092
Changes.....	-85	-116	-60											-21.4		-58,403
Revised estimate.....	2,850	2,819	2,875	2,935	2,935	2,935	2,935	2,935	2,935	2,898	2,664	2,662	1,864	2,864.8		7,818,289
Total:																
Original Budget.....	33,800	36,586	38,588	39,710	39,752	39,783	39,731	39,265	34,568	33,408	29,728	28,294	20,587	36,100.6	103,466,670	117,427,951
Changes.....	+337	-3,002	-3,306	-2,639	-1,767	-1,191	-1,191	-1,300	-691	-643	-331	-395	-280	-1,342.9		-4,676,767
Barkley amendment.....				330	700	700	700	600	500	250				316.7		1,222,034
Revised estimate.....	34,137	33,584	35,282	37,421	38,685	39,292	39,240	38,565	34,377	33,015	29,397	27,899	20,307	35,074.4		113,974,118

Office of Price Administration—Estimated operating costs, by objects, fiscal year 1947

Object	Original estimate			Revised estimate	
	Man- y ars	Amount ¹	Amount ²	Man- years	Amount ²
Permanent personal services (base pay).....	36,100.6	\$103,466,670	\$117,427,951	35,074.4	\$113,974,118
Temporary personal services (base pay).....	599.5	638,960	722,660	599.5	722,660
Foreign-service differential.....		215,055	245,485		245,485
Terminal leave.....	3,881.3	10,448,150	11,800,185	3,881.3	11,800,185
Overtime.....		363,925	414,230		414,230
Total, personal services.....	40,581.4	115,132,760	130,610,511	39,555.2	127,156,678
Other objects.....		27,067,240	27,067,240		26,332,382
Total, estimate.....		142,200,000	157,677,751		153,489,060

¹ Personal-service estimates computed at salary rates prior to July 1, 1946.

² Personal-service estimates computed at salary rates effective July 1, 1946, for Classification Act employees in accordance with the Federal Employees Pay Act of 1946 and at salary rates effective approximately Aug. 1, 1946, for Price Control Board employees in accordance with administrative action.

Office of Price Administration—Estimated obligations, by month,¹ fiscal year 1947

Month	Original estimate		Revised estimate	
	Total, by month	Cumulative total	Total, by month	Cumulative total
July.....	\$12,249,552	\$12,249,552	\$12,216,588	\$12,216,588
August.....	13,022,529	25,272,081	12,120,086	24,336,674
September.....	13,810,223	39,082,304	12,836,630	37,173,304
October.....	14,342,687	53,424,991	13,658,639	50,832,003
November.....	14,471,201	67,896,192	14,115,523	64,947,526
December.....	14,515,844	82,412,036	14,314,373	79,261,899
January.....	14,490,647	96,902,683	14,288,252	93,550,151
February.....	14,298,025	111,200,708	14,041,829	107,591,980
March.....	12,939,536	124,140,244	12,825,904	120,417,884
April.....	12,332,208	136,472,452	12,165,355	132,583,239
May.....	10,889,231	147,361,683	10,746,455	143,329,694
June.....	10,316,068	157,677,751	10,159,366	153,489,060
Total.....	157,677,751	157,677,751	153,489,060	153,489,060

¹ Based on salary rates effective during the fiscal year 1947 in accordance with the Federal Employees Pay Act of 1946.

Mr. PORTER. If I might ask the committee's indulgence, I have to meet with the Decontrol Board at 12 o'clock, and two of the members are leaving at 1. Now, I could come back at 2 o'clock, or Mr. Rogers and the staff here could carry on.

Senator HAYDEN. You can tell it to us in 5 minutes.

AMOUNT OF SUPPLEMENTAL APPROPRIATION REQUESTED

Mr. PORTER. I can tell it to you very briefly. What we are here asking for is a supplemental appropriation of \$26,000,000. You will recall that we went before the House, and asked for \$142,000,000. The House approved the sum of \$106,650,000 but with the proviso that we could spend at the rate of our original request, and come back in February for supplemental.

The matter came on to the Senate, where the appropriation was reduced in the amount of \$50,000,000. That was at a time when the bill was pending. It was reduced to \$56,650,000. Our substantive legislation was pending before the Senate, and no one knew precisely what our obligations would be.

The bill went into conference, and \$25,000,000 was restored, giving us a total of \$75,000,000. Now that the Price Control Act has passed, we have asked for the restoration of \$26,000,000.

What we are really asking for is not any increased authorization, but just additional working capital, based upon our present program. We feel that under the requirements of the new legislation we will run out of funds some time in December, and certainly it is doubtful that the Congress will be back here before the first of the year.

The CHAIRMAN. That is all stated in your letter of July 29?

Mr. PORTER. Yes, sir.

Senator BALL. You are not asking for an increase in what the House gave you?

Mr. PORTER. No.

Senator BALL. Just justifying what the House gave you?

Mr. PORTER. That is right. It is less than the House originally put it.

ADDITIONAL DUTIES IMPOSED BY NEW OPA LAW

Senator HAYDEN. Did this bill which we passed through the Congress the other day impose any additional duties on you that you did not have under the old law?

Mr. PORTER. That is correct.

Senator HAYDEN. What are they?

Mr. PORTER. In the question of increasing our pricing staff, under the new pricing standards of the bill, we will have a substantial increase in work load on industrial applications. There is further the provision for the Decontrol Board. We will have to make our presentations to this board, and set up procedures in which industries committees can come in. We are going to have to organize new industry committees that are affected by our regulations.

Senator HAYDEN. Here is a man in business; he wants to get a shift in prices, and he wants to do it and get it done right away. If you have not help to do it, why, that delays him. If getting this thing operating is going to take some help, so far as I am concerned, I would be willing to give it to you. It is a new job that you are required to perform.

Mr. PORTER. If Congress expected to be in session during the next few months, we would not have come back at this time, because we could make our presentation for supplemental after a few months of operation, which we may have to do at the turn of the year anyway.

The CHAIRMAN. The principal increase is due to the Decontrol Board?

Mr. PORTER. They have a separate budget, but we will have no way of liquidating our staff in the price departments. We are going to have to supplement them because of the additional work we will have in our relationships with the Board.

FUNDS AVAILABLE ARE SUFFICIENT TO DECEMBER 1, 1946

Senator BRIDGES. This \$75,000,000, Mr. Porter, which we put in which we thought would carry you at least into the middle of the winter, until after the first of the year, because it was roughly nearly three quarters of what the House originally allowed, you say now may only carry you to November?

Mr. PORTER. To about December 1. We contemplate, of course, that during the next 6 months, we will have our peak load, and then we begin the program of liquidation for the last year of price control.

Mr. ROGERS. Our original request of the House was \$142,000,000. Then we had the increase in pay for employees which brought our requirements up to \$157,000,000, and it was from that figure that the House cut us to \$106,000,000, saying that we would be allowed to spend at the rate of request, which provision was also included in the bill as finally passed.

The CHAIRMAN. All right. I think we understand it. Much obliged to you.

DEPARTMENT OF COMMERCE

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

STATEMENTS OF ARTHUR PAUL, ASSISTANT TO THE SECRETARY OF COMMERCE IN CHARGE OF INTERNATIONAL TRADE; JOHN BORTON, DIRECTOR, REQUIREMENTS AND SUPPLY BRANCH; FRANCIS CAWLEY, BUDGET OFFICER, DEPARTMENT OF COMMERCE; NATHAN OSTROFF, GENERAL COUNSEL, OFFICE OF INTERNATIONAL TRADE; REX A. ANDERSON, EXECUTIVE OFFICER, OFFICE OF INTERNATIONAL TRADE; DONALD F. HARDING, BUDGET OFFICER, OFFICE OF INTERNATIONAL TRADE; FRANCIS E. McINTYRE, DEPUTY DIRECTOR, REQUIREMENTS AND SUPPLY BRANCH

EXPORT CONTROL

The CHAIRMAN. All right, sir, the Department of Commerce, line 21, page 6.

Mr. CAWLEY. Mr. Chairman, there was appropriated in the regular 1947 Budget for the Department of Commerce an amount of \$500,000 for administrative expenses in connection with carrying on the function of export control, which was pursuant to a law passed late in the spring by Congress. The amount of money appropriated, \$500,000, was a reduction from an amount of \$843,000 which was submitted as a part of our regular appropriation request. This \$843,000 was intended for 6 months only. Since only \$500,000 was appropriated we have come back to Congress for an additional \$600,000, to permit this operation to carry through the entire fiscal year 1947.

COST OF PROGRAM LAST YEAR

The CHAIRMAN. What did it cost last year?

Mr. CAWLEY. That requires some explanation.

The CHAIRMAN. Give us what it cost, and then make the explanation. How much did it cost last year?

Mr. CAWLEY. Approximately \$2,000,000.

The CHAIRMAN. Go ahead.

FEA FUNCTIONS TRANSFERRED TO DEPARTMENT OF COMMERCE

Mr. CAWLEY. The explanation is this. That part of the FEA which was transferred to the Department of Commerce in October included this function of export control. I was unable to get an exact figure of the cost of the function.

Senator OVERTON. What is FEA?

Mr. CAWLEY. Foreign Economic Administration.

ANNUAL COST OF PROGRAM

However, we did compile a statement of annual cost for comparison purposes based upon the \$650,000 cost of our last 6 months operation. Thus using the going rate for the last six months would give us the more comparable figure of \$1,300,000 as an annual cost.

ITEM CONSIDERED IN CONNECTION WITH 1947 COMMERCE APPROPRIATION ACT

Senator BRIDGES. Is not this the same item which this same committee, not this subcommittee, but your Commerce Subcommittee passed on, and made an appropriation for that has just gone through Congress?

Mr. CAWLEY. That is quite true. The President recommended by way of an amendment to our 1947 appropriation bill when it was before the Senate Committee, an amount of \$843,000. At that time we were authorized to state that the Bureau of the Budget intended that for only 6 months.

Now we find with a reduced amount of \$500,000 actually appropriated, that the export control operation will practically have to go out of business in the middle of October.

The CHAIRMAN. Did you not, virtually take over the FEA?

Mr. CAWLEY. We took over certain functions of FEA.

The CHAIRMAN. Is not this just really to continue the war activities of the FEA?

Mr. CAWLEY. On export control, yes, sir.

Senator OVERTON. Did you not get the balance of the appropriation that FEA had?

EMPLOYEES TRANSFERRED TO DEPARTMENT OF COMMERCE FROM FEA

Mr. CAWLEY. For the fiscal year 1946.

I would like to say that at one time FEA had a peak of approximately 800 employees engaged in the export control activity. When it came over to us in October, it had 567 employees. We have reduced that to 277 employees.

The CHAIRMAN. Let me get those figures—800, 500.

Mr. CAWLEY. When it came to the Department of Commerce, 567 employees.

The CHAIRMAN. You have how many now?

Mr. CAWLEY. We have approximately 277 employees engaged now.

RESPONSIBILITY FOR DECISION AS TO WHETHER ITEMS ARE TO BE
LICENSED FOR EXPORT

Senator RUSSELL. Is this enforcement work? I was of the opinion that the CPA was the agency that prescribed what you could and could not export.

Mr. CAWLEY. Mr. Arthur Paul, Assistant to Mr. Wallace, and Director of the Office of International Trade, is here, and he can explain the functioning of the export control operation if you would like, sir.

Senator RUSSELL. The complaints I have had from the naval stores people in my State, and their complaints are all directed to the CPA, that they will not let them export, and domestic buyers will not buy.

The CHAIRMAN. That is true in my State, too.

Senator RUSSELL. And the department is holding an umbrella over the domestic consumers to the detriment of the producers who have to hold onto this stuff.

Mr. PAUL. Mr. Chairman, this appropriation is for the administration of export control, which involves the granting or denying of licenses for shipments abroad. The decision as to whether articles will be licensed or not is a joint interdepartmental situation on agricultural commodities. The Department of Agriculture would be consulted, along with the Department of State, before the decision was reached.

On articles such as you mentioned, the CPA would be the source of consultation in arriving at the decision as to whether the articles would be placed under control or not. So that the complaints in regard to that could be addressed to them, or could be addressed to us.

The decision is reached at that level.

Senator RUSSELL. The CPA has assumed the authority. They were the people that explained why they did it.

Mr. PAUL. We have never placed any articles under control in the field that the CPA covers, other than after consultation and full discussion with them.

Senator BALL. Do you have authority to determine what materials are controlled, what materials cannot be exported, except with a license?

Mr. PAUL. We have the authority to grant or deny the licenses.

Senator BALL. Only certain materials are covered.

Mr. PAUL. We only exercise that authority over a limited list of materials, and the articles that are on that list are decided at the interdepartmental conferences that I have referred to.

Senator BALL. I remember when that bill renewing this control was passed. Senator Thomas of Utah explained that it was applying only to strategic materials, finished strategic materials. I sort of gathered it is applying to everything practically where the world price happens to be above the OPA ceiling, and in order to keep materials from going out of the country, from draining out, you put on export control?

Mr. PAUL. We have applied it to articles that are in short supply.

Senator BALL. Defense criterion does not apply at all.

Mr. PAUL. The reconversion element would apply as much as the defense at the present time.

Senator BALL. You have not any free trade in America any more.

Mr. PAUL. The housing program is one of the factors which is influencing the nature of this.

Senator BALL. That is because the people outside the country want to pay higher prices on housing material than the OPA ceiling, so it is an incentive to sell them for export.

Mr. PAUL. There is some tendency for articles that would go into the housing program to go to areas where there is a highly inflated economy.

Senator BALL. There would be no need for export control if the producer here could sell for a higher price than he could abroad.

Mr. PAUL. I believe in that case you would not need export control, except for such things as radioactive materials.

ELEMENTS CONSIDERED BEFORE GRANTING A LICENSE

Senator OVERTON. You simply grant licenses. What do you consider before granting a license? Just the individual or the company that buys it, or what?

Mr. PAUL. In dividing up the amount that is allocated for export, we consider first the historical pattern of trade; we give consideration to newcomers coming into the business, and also to veterans.

The method by which we divide up an export allocation is based on those three things.

Senator OVERTON. You just determine who can export but not what can be exported.

Mr. PAUL. We join in the determination of what can be exported.

Senator BALL. I am not clear. A businessman who has something to sell, how can he tell whether he can sell it without a license?

Mr. PAUL. We publish a list of commodities subject to export control.

EXCERPT FROM TESTIMONY ON ITEM DURING CONSIDERATION OF 1947 COMMERCE APPROPRIATION ACT

Senator McCARRAN. With reference to this item, it might be observed, Mr. Chairman, I regret that I have been away during the early part of this discussion, but we had it up when the hearings were held on the bill, and you will recall on page 913 of the hearings we went into the matter, and I beg leave to read, speaking myself:

It is my individual judgment, and I regret that I am alone here, but it is going to be my individual judgment that we will proceed with the idea that there will come up for a supplemental item in January. The reason for that you have justified this definitely with the Budget, and they are here with a specific supplemental estimate. You can get along, as I understand it, with this until January, at which time you can come up with supplemental Budget estimates.

Mr. PAUL. That is right, Mr. Chairman, that would be quite agreeable to us. We are prepared to do it either way. We would be quite agreeable to that approach also.

Senator McCARRAN. It strikes me that unless you present something that that is the orderly way. In other words, you go ahead and justify this, the \$843,000 has been definitely approved and established by the Budget, then let the Budget come along further with the other item. This I understand you justify as being essential from now until January of the coming year, and that at the same time will take care of your needs for that period of time.

Mr. PAUL. This would take care of our needs for a portion of the coming year at least until we could put in that supplemental request.

That was the colloquy which was had here when your bill was before the committee. I was alone that day holding the hearings, but I recall that colloquy.

Senator HAYDEN. Has there been any change in the conditions between the 6 months and 1 year operation?

PRESENT FUNDS WILL CONTINUE OPERATIONS UNTIL OCTOBER 15, 1946

Mr. PAUL. The amount that we were speaking of then, Senator McCarran, was the \$843,000 that we had requested which I said would be sufficient to last us for the first 6 months of the year. The amount granted to us was \$500,000, so that what we are faced with at the present time is the question of going out of business about the 15th of October, so that there would be no mechanism for export control in the United States unless there is an added amount granted.

REQUESTS TO INCLUDE ADDITIONAL ITEMS ON EXPORT-CONTROL LIST

In addition to that, since that time we have received urgent requests from the Civilian Production Administration, from the Housing Administrator, to add still further to the list that Senator Ball is examining at this time.

Senator McCARRAN. That is, you are going to add items to the exports?

Mr. PAUL. To add items to those which we are now controlling. When we prepared our original estimates of what we would have to do during this coming year, we prepared them on the assumption that we would start out controlling about 600 items, and that that would taper off to about 400 by the first of the year, and down to zero by the end of the fiscal year. We are actually controlling now 900 items.

We have been requested urgently by the Housing Administrator to add 40 very difficult ones, ones that involve considerable administrative activity.

Senator McCARRAN. Could you give us an instance?

Mr. PAUL. Do you want to list those? They are in the field of housing.

Senator McCARRAN. The last items that you mentioned?

LETTER FROM HOUSING ADMINISTRATOR WYATT

Mr. PAUL. We have a list of those that both the CPA and the Housing Administrator have asked us to put under control.

In this connection I would like to introduce a copy of a letter from the Housing Administrator to the chairman of this committee, emphasizing the importance of export control in protecting the veterans' housing program.

Senator HAYDEN. It may go in the record.
(The matter referred to is as follows:)

JULY 22, 1946.

Hon. KENNETH McKELLAR,
Chairman, Committee on Appropriations,
United States Senate, Washington, D. C.

MY DEAR SENATOR McKELLAR: I have noted that the \$843,000 supplemental appropriation requested by the Department of Commerce for the administration

of the Export Control Act was reduced to \$500,000 for the fiscal year 1947. My attention has been called to the fact that, as a result of this reduction, export licensing control may have to be terminated toward the end of this calendar year.

Among the important steps which are being taken to increase the supply of materials needed for the construction of houses for veterans is the program, worked out with the cooperation of the Office of International Trade in the Department of Commerce, to place under export licensing control all critically short housing items which normally have entered into export trade. If export licensing control were to be terminated toward the end of this year, we may face a further and unexpected drain upon our supply of building materials.

It is, therefore, hoped that it will be feasible for the Congress to give consideration to providing the funds required by the Department of Commerce to assure continuity of operations under the Export Control Act.

Sincerely yours,

WILSON W. WYATT, *Expediter*.

INCLUSION OF BUILDING MATERIALS ON EXPORT CONTROL LIST

Senator McCARRAN. Would that be building materials, such as lumber and the like?

Mr. PAUL. Yes; paints, plumbing materials, articles, that would be used in the domestic construction of houses.

Senator McCARRAN. I can see where those items would naturally and should, in my judgment, come under the list.

Mr. PAUL. There is under discussion the question of adding about 200 to the 900 that we are now controlling. We expect that the result of those discussions will be a decision to apply the control to about half of those that are under discussion at the moment.

TERMINATION OF EXPORT CONTROL

Senator McCARRAN. Did you not say before you figured that would end, about the fiscal year 1947. Do you figure it going on indefinitely now?

Mr. PAUL. We are still figuring on the conclusion of this activity at the end of the fiscal year. I do want to qualify that remark with the statement that most predictions as to what was going to happen in this field have been proved wrong by events in the last year or so. The number of commodities we now find we must control is substantially higher than the number we thought we would have to control. There have been a good many statements regarding the rate at which production of short materials would catch up with demand. Most of these have gone wrong, and I do not want to have that statement held against us as a prediction of what is going to come.

Senator McCARRAN. My thought on that, I may be wrong, but my thought on it is that it is one of the most important items that we have, because today, if we are going forward with the building program, for instance, and allow export of building materials without some restraint, we will never get our building program carried out.

Senator RUSSELL. I am quite willing to go ahead with the building program, but I think they have reached out to try to cover every commodity and some of them are being handled in a way that is a great injustice; they have been manipulated for the benefit of the big consumers. They have got the little producers who produce crops on a credit basis tied up, and the rest of the consumers, like Procter & Gamble, they would not buy because they have got this export control and they cannot sell outside of the country.

Senator McCARRAN. There may be instances of that, but I can see many instances where there should be some control as to exports.

CPA HAS NO AUTHORITY TO ISSUE OR DENY EXPORT LICENSES

Senator OVERTON. Can CPA prevent an export of essential materials?

Senator HAYDEN. What are you asking for is the restoration of the Budget estimate.

Senator OVERTON. Has CPA the authority to prevent the export of essential materials?

Mr. PAUL. CPA has not the authority to issue or to deny a license for export.

Senator OVERTON. Not the license, but getting the material out.

Mr. PAUL. CPA could issue an order to an industrial company telling them not to export merchandise. There would be no mechanism of enforcement for that order. Or they could issue an order saying they were to export only, say, 5 percent of their goods. There again there would be no mechanism of enforcement, nor would there be any control over where those goods went.

EXPORTING OF LUMBER

To take as an example the field of lumber, what little lumber we export we license for the purpose of aiding in badly needed imports to the United States. For instance, the lumber going to Cuba is directed to the repair of sugar mills to keep the flow of sugar coming to the United States. The lumber going to Bolivia is directed to the tin mills. Tin is one of the critical items that we still have on our reconversion program. There would be no way in which the CPA could administer any program of that nature.

Senator RUSSELL. Do you license lumber being shipped under lend-lease now?

Mr. PAUL. No, we do not license lend-lease shipments.

Senator RUSSELL. You do not license lend-lease lumber, then?

Mr. PAUL. No.

TERMINATION OF EXPORT CONTROL

Senator OVERTON. You expect to terminate this activity by the end of this fiscal year?

Mr. PAUL. That is the present assumption.

Senator OVERTON. Why can you end it then and not now?

Mr. PAUL. Our assumption is that the present shortages will have been corrected by June 1947 by an increase of production, so that it will be unnecessary to continue this form of control beyond that date. Our expectancy was that the shortages would have been sufficiently corrected by this time, so that we could now exercise export control over fewer items. That has not proven to be the case, and our list is now longer than it was in May.

AMOUNT OF FUNDS REQUESTED

Senator HAYDEN. What you are asking for specifically is to have the Budget estimate allowed?

Mr. PAUL. We are asking for \$600,000, in addition to the \$500,000.

Senator BALL. You want us to keep in the bill what is in there as it came from the House?

Mr. PAUL. Yes, sir.

Senator HAYDEN. Thank you.

EXPORTS AT FOREIGN PRICES IN EXCESS OF UNITED STATES CEILING PRICES

Senator OVERTON. Do you use your authority to prevent exports at foreign prices in excess of ceiling prices here in the United States?

Mr. PAUL. No, we do not exercise the authority on the basis of the price differential. We exercise it on the basis of the supply situation in the United States. The share of the total United States production which can be spared for export is estimated, and we do not permit more than that amount to go out of the country. The differential in price might be one of the causes encouraging excessive exports.

Senator RUSSELL. What you do may have no control over price ceilings. Certainly price ceilings has a very definite effect.

Mr. PAUL. Inflation in foreign lands would be one of the factors that might produce an excessive export drain.

Senator BALL. As long as you have price control and not a free market, you almost have to have something like this.

Senator HAYDEN. We thank you, gentlemen.

FEDERAL SECURITY AGENCY

CHILDREN'S BUREAU

STATEMENT OF HON. CLAUDE PEPPER, A UNITED STATES SENATOR FROM THE STATE OF FLORIDA

FUNDS FOR CARE OF CRIPPLED CHILDREN

Senator HAYDEN. Senator Pepper wants to make a brief statement.

Senator PEPPER. Senator Taft and I, pursuant to action of the Education and Labor Committee, introduced a resolution to increase the money available under the Social Security Act to the Children's Bureau for maternal and child health, child welfare, and crippled children's care, by about \$20,000,000, over what it is now. That was a compromise measure that he jointly sponsored.

We appeared before the Senate Finance Committee. They approved it and put it in the social-security bill yesterday.

I have the items here in proper form, and I want to ask the committee if in order that the Children's Bureau might have these funds and conditioned upon the House concurrence in that amendment of the Senate, if this committee would be good enough to include those estimates.

Senator HAYDEN. That is the item would be contingent upon the final approval of the act?

Senator PEPPER. That is right.

Senator BALL. Are not those functions transferred to Federal Security Agency?

Senator PEPPER. We do not have anything to do with that, wherever it is. The funds will go to the Crippled Children's Bureau.

PUBLIC HEALTH SERVICE

FUNDS FOR RESEARCH PROGRAM ON MENTAL DISEASES

The other matter I am here to present is this. Senator Ball knows about it, for he and Senator Taft were active in approving what we call the mental hygiene bill. I introduced the bill in the Senate and Congressman Priest in the House. The House bill finally passed. Senator Taft was on the subcommittee and helped in working it out. We agreed on an increased appropriation for mental diseases. That is for aiding the States in a research program and for some research by the Public Health Service in the field, and for aid to the universities and colleges that were carrying on this kind of research, and for training, aid to medical schools in the training of physicians. For there are only 2,000 doctors in the United States that know how to treat these mental cases. We also finally agreed on 7½ million for the construction of a mental health institute in the District of Columbia.

I talked to Dr. Parran about this matter this morning, because I have been inquiring from him when the Bureau of the Budget was going to get an estimate down here to the committee on this matter, and after getting permission of the Bureau of the Budget to do so, I talked to Dr. Parran about it, and he sent a copy of the estimate he filed with the Budget Bureau over.

Senator HAYDEN. We have this note from the Budget:

Estimate of \$5,208,000 will be cleared under this act, approved July 3. It includes \$850,000 for the site and plans for a national institution for mental health at Bethesda, also funds for grants of local unit.

There will be a Budget estimate.

Senator PEPPER. The Budget had no objection to my submitting the estimate to you in this form. This is a copy of what the Public Health Service submitted to the Bureau of the Budget. You can clear it with Mr. Moore, the Budget Bureau, and he said he had no objection.

The Veterans' Administration, Dr. Brille, strongly approves.

Senator RUSSELL. How much is it?

Senator PEPPER. The total is \$4,358,000, and of that \$2,300,000 goes to the States for grants-in-aid to State research, and \$300,000 goes to the universities, to aid their research in the field, and \$1,275,000 is to be used in training psychiatrists and doctors to render medical service in this field. The rest of it is administrative expenses. The \$850,000 is for the site and the plans for the building in the District.

Senator HAYDEN. We thank you.

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

STATEMENT BY ROBERT H. SHIELDS, PRESIDENT, COMMODITY CREDIT CORPORATION, ACCOMPANIED BY E. M. SHULMAN, ASSOCIATE SOLICITOR, DEPARTMENT OF AGRICULTURE

TEXT OF PROPOSED AMENDMENT

Senator HAYDEN. You have submitted here the text of the proposed amendment to the bill, which reads:

In order to meet anticipated requirements of foreign countries, the Commodity Credit Corporation is authorized to expend not to exceed \$150,000,000 for advance procurement of agricultural commodities, foods, feeds, and fertilizers for subsequent sale to foreign countries; and the Secretary of the Treasury is authorized and directed to discharge an amount of the indebtedness of the Corporation equivalent to any loss which may be suffered by reason of such advance procurement, by cancellation of notes issued by the Corporation to the Secretary of the Treasury pursuant to the Act of March 8, 1938 as amended (15 U. S. C. s 713a-4).

Will you please explain to the committee, briefly, the necessity for this proposal?

PROPOSED PURCHASE OF FOOD FOR SALE ABROAD NEXT SPRING

Mr. SHIELDS. It has been suggested to us, Mr. Chairman, that the Commodity Credit Corporation should, between now and the first of the year, buy up to \$150,000,000 worth of food and have available for sale next spring, to foreign countries who now do not have the cash to give to us in advance. It is possible that next spring the food would not be available or would not be as easy to procure.

Senator HAYDEN. Let me understand. This is not a part of UNRRA gift at all?

Mr. SHIELDS. No, sir.

Senator HAYDEN. This is to be sold?

CONGRESSIONAL APPROVAL OF PROPOSAL DESIRED

Mr. SHIELDS. Yes, sir. I think the Commodity Credit Corporation has the authority to buy this food now and hold it for sale next spring, but I do not want to exercise that authority and do not intend to do so, because of the substantial risk of loss involved, unless the Congress wants it done.

If we bought this \$150,000,000 worth of food between now and January, it might be that when we go to sell it might be worth less—let's say, \$110,000,000—and I do not want to take any loss with Commodity Credit money for this purpose unless the Congress wants it done.

FOOD WOULD BE SOLD FOR CASH

Senator OVERTON. You would sell it for credit?

Mr. SHIELDS. For cash; it might be that it would not be worth as much at sale time as we had paid for it, and a loss would be suffered.

PROBABLE PURCHASERS OF FOOD

Senator RUSSELL. Do you have a list of countries that would be probable buyers of these commodities?

Mr. SHIELDS. The countries that have been mentioned are France, Belgium, the Netherlands, Italy, Greece, Austria, and some of the other countries.

The State Department seems to feel that next spring some of these countries will have resources to buy food. This would not authorize us to do anything except to sell it. We are not asking for any other authority.

Senator RUSSELL. It would authorize you to charge off any losses that you might incur?

Mr. SHIELDS. That is right. I think I have the authority to do this now.

Senator BALL. You have the authority to buy and sell, but not to do this.

Mr. SHIELDS. I think we have the authority to do this, but because of the substantial risk of loss involved we do not intend to do it unless the Congress directs us to do it.

PRICES CHARGED BY COMMODITY CREDIT CORPORATION

Senator OVERTON. What price does the Commodity Credit Corporation have to sell, the market price or cost?

Mr. SHIELDS. For purchases we made for UNRRA, lend-lease, and cash-paying foreign governments, our pricing system was such as to fully cover our costs. So far, to a limited extent and where there was no substantial risk of loss, we have made some advance procurements.

LAW AND POLICY WITH RESPECT TO PRICES CHARGED

Senator OVERTON. There is a statutory limitation on what you can receive, on what you can ask for.

Mr. SHIELDS. Not on sales to foreign countries, but as a matter of general policy we do not sell below our cost.

Senator OVERTON. Does the law say you cannot, or is that a policy?

Mr. SHIELDS. On purchases for other Government agencies, the law says that we must be fully reimbursed, and we have followed that same policy in selling to other governments.

NO LOSSES ON PROCUREMENT OPERATION FOR UNRRA

We have not lost anything in this procurement operation that we have been undertaking for UNRRA.

LOSSES ON OTHER PURCHASE OPERATIONS

Senator HAYDEN. You have had losses in other purchases?

Mr. SHIELDS. In some price support and subsidy operations; yes, sir. But in buying for foreign governments, it is our general policy to get cash on the barrel head.

LOANS BY EXPORT-IMPORT BANK

Senator RUSSELL. Does not the Export-Import Bank lend the money to the foreign governments in most of these instances, and you sell to the foreign government, and they pay it back in to you? Most of these are bookkeeping entries?

Mr. SHIELDS. I think that is right in some instances.

Senator RUSSELL. We are trying to look at it from the over-all standpoint.

RESTRICTIONS ON ABILITY TO SELL

Senator OVERTON. So far as the law is concerned, there is no restriction on your ability to sell even though you sell at a less price?

Mr. SHIELDS. In general, we cannot sell farm commodities below the parity or the comparable price in this country. One of the exceptions is applicable to perishable commodities such as potatoes.

QUESTION AS TO SALE OF POTATOES

Senator OVERTON. Could you dispose of potatoes at less than what they cost?

Mr. SHIELDS. Yes; we have to. We get every cent that we can get for potatoes, but we cannot get all that we are paying for them.

Senator McCARRAN. How much?

Mr. SHIELDS. Up to about \$2, depending upon the grade and location.

Senator BALL. Could you take them and dehydrate them and sell them for a couple of cents a bushel?

Mr. SHIELDS. I think under the legislation which has been passed recently we could do that.

Senator BALL. Practically give them away?

Mr. SHIELDS. That is about it.

AMOUNT OF FUNDS NEEDED

Senator HAYDEN. What about the amount of money? You have got \$150,000,000.

Mr. SHIELDS. I think the State Department first talked about \$200,000,000. We suggested a figure of \$150,000,000. I think anywhere between \$100,000,000 and \$150,000,000 would be adequate. We should not lose very much. In fact, we might not lose any, but since there was a substantial risk of loss, I just was not going to undertake the project unless you approved it.

TYPE OF COMMODITIES THAT WOULD BE PURCHASED

Senator HAYDEN. I think that is very commendable. What type of commodities would you probably buy?

Mr. SHIELDS. Mostly grains. Most of the foreign countries have more or less reduced their demands now to grains and fats and oils. Of course, we are very short of fats and oils.

QUESTION AS TO POSSIBILITY OF LOSS

Senator HAYDEN. I am trying to get at the possibility of loss. Suppose you bought \$75,000,000 worth of wheat this harvest, and you had it on hand and in storage some place. What risk do you run between now and January that the price of wheat will go down?

Mr. SHIELDS. If we buy wheat today, at about the old June 30 ceiling, it may be that by spring the price of wheat will be down to a lower level. I do not know. I am not forecasting.

Senator HAYDEN. You must have some kind of hunch that the price of wheat is going down.

Mr. SHIELDS. Well, it is the biggest wheat crop we have had. The corn-crop estimate is also up.

REASON FOR MAKING PURCHASES NOW

Senator HAYDEN. Why do not you wait to do this purchasing until the harvest is fairly well in? The wheat crop is practically finished now.

Mr. SHIELDS. It may be that by next spring when wheat is needed abroad, available supplies will be low and it will be more difficult for us to procure it. We think it better to buy when the marketing is heavy. From this point of view, we think it would be better to buy now than next spring.

Senator HAYDEN. I am interested in that. That sounds like good business. I happen to know that in the milling business you can buy wheat at market time at a less price than during the following spring. That being the case, I would not see how you could lose any money on the purchase of wheat that was made at the close of this harvest or the purchase of corn or some commodity of that kind, and you held it until next spring. Normally, you ought to make a profit.

Mr. SHIELDS. That is correct. However, I do not want to take that risk, not knowing what the situation is going to be.

Senator HAYDEN. Mr. Acheson just came in. What is your judgment about the amount of money and necessity for doing this?

**STATEMENT OF DEAN ACHESON, ASSISTANT SECRETARY OF
STATE, STATE DEPARTMENT**

NEED FOR COMMODITY CREDIT CORPORATION TO PURCHASE FOOD NOW

Mr. ACHESON. The State Department is supporting this proposal very strongly. We fear, as the Commodity Credit Corporation does, that if the procurement is not made during 1946, we may come to the period in 1947 when this food is needed, and it will not be available. I think the Commodity Credit Corporation is almost certain that all of the items here, with the exception of grain, are going to be in very short supply in 1947, and if we do not get them now, we will not get them at all.

As to the grain, that is a question of taking a chance. They may be available or may not. Certainly, we cannot purchase anything like the grain in 1947 that we have in 1946.

Senator HAYDEN. It would seem to me just as a business proposition that if you want to buy wheat at harvesttime, and then you did not make the purchase at that time, but waited until the wheat had passed out of the hands of the grower and into the hands of what we might call the speculator, then you would have to pay more for the grain and you might have more difficulty in getting it.

POSSIBILITY OF LOSS ON PROPOSED PURCHASE AND SALE OPERATION

What I am trying to figure out is how much risk of a loss are we running. That is what is worrying the Commodity Credit Corporation, and it should also worry the Congress. Do you gentlemen believe that we are assuming a serious risk?

Mr. SHIELDS. It is largely a matter of guess. I would not think that we would run a risk of losing over a fourth. I am just trying to make a rough guess. That would be the outside loss. If I were to make a guess, that is what I would say, Senator. The figure is just a guess, not a studied estimate. That would seem to me to be an outside limit on the possible loss.

Senator HAYDEN. On the other hand, from your knowledge of the market, do you seriously consider that there will be any loss at all?

Mr. SHIELDS. I just would not want to hazard a guess. I would not want to say that I do not think so, but I do not know enough about what the future has in store, in view of the present price situation.

I know there is a risk which I do not think we ought to bear, unless it is recognized that we should.

POSITION OF STATE DEPARTMENT

Senator HAYDEN. Upon the other hand, the State Department feels that it is essential to acquire these foodstuffs in ample time so that if the demand does occur abroad, we will have it on hand and can dispose of it.

Mr. ACHESON. That from the foreign-relations point of view, yes, we think that we will be in very bad shape with these countries which are chiefly the countries that we are primarily interested in, in western Europe and China, if the time comes next year when they want to purchase some food from us, and we have not got it.

Senator HAYDEN. That question was asked before you came in.

COMMODITIES PURCHASED WOULD BE SOLD ABROAD

Senator McCARRAN. In that regard, you have reference to the purchase of food entirely? You do not have any reference to UNRRA, or giving it away?

Mr. ACHESON. Our policy is to wind up UNRRA.

Whether the Congress will take any additional steps is up to the Congress. We do not know whether any steps will be necessary or not.

Senator McCARRAN. These commodities that you are looking to now, for the Commodity Credit to purchase now, are commodities that you expect them to buy from you and pay for them?

Mr. SHIELDS. To pay for.

Mr. ACHESON. If the Congress should set up any kind of relief organization, they would be eligible to purchase, too. We are not asking Congress now to give this away, but to let the Commodity Credit Corporation buy it.

COUNTRIES THAT WILL BE NEEDING FOOD

Senator HAYDEN. What particular countries do you anticipate will be short in food?

Mr. ACHESON. I think you will find all through western Europe and the Far East and the Philippines that they will be wanting food from us.

I think the French, the Belgians, the Dutch, Italy, Austria, Greece, China, the Philippines, would be my guess as the chief customers. Would you want to add any?

Those are the countries that have been coming to us in the past.

QUESTIONS AS TO COUNTRIES MAKING THEIR PURCHASES IN THE OPEN MARKET

Senator McCARRAN. You do not think it would be safe for them to come in and purchase in the open market? You think they should buy through the Commodity Credit Corporation?

Mr. ACHESON. Much more orderly, if it was done by the Government. In the first place, some of them will not do it. What you always find, that some of these countries put it off, either they think their financial situation will be better next year or prices will be better or something or other, and then when the time comes, they come to the Government of the United States, and say, "We want to buy something from you." And we have not got it.

Senator HAYDEN. Any questions that you wanted to ask, Mr. Ball?

Senator BALL. No.

Senator HAYDEN. We thank you, gentlemen.

DEPARTMENT OF LABOR

BUREAU OF LABOR STATISTICS

STATEMENT OF MRS. ARYNESS JOY WICKENS, ACTING COMMISSIONER OF LABOR STATISTICS, DEPARTMENT OF LABOR

SALARIES AND EXPENSES

AMOUNT OF ADDITIONAL APPROPRIATION REQUESTED

Senator HAYDEN. We understood from Senator Murray that the Department of Labor would appear and ask for an additional appropriation, based upon the introduction by Senator Murray of a joint resolution appropriating \$250,000 for correct price and rent information, and so forth.

It was developed before the committee that the Bureau of Labor Statistics now has authority of law to perform that function, so that no legislation by Congress is necessary, but that additional funds are necessary. We would like to hear from you what funds are necessary and what use you are going to make of them.

REQUESTS FOR INFORMATION ON PRICES

Mrs. WICKENS. Since the 1st of July, we have been called upon to provide a great deal of information on prices, more rapidly than we normally would be asked to provide them.

Senator McCARRAN. Information on what?

Mrs. WICKENS. On prices at the retail level and at the wholesale level.

SOURCES OF INQUIRIES

Senator McCARRAN. From what source does this inquiry come as a rule?

Mrs. WICKENS. It comes from the Congress, it comes from the agencies of the Federal Government, it comes from the press in very large volume. It comes from the trade-union groups, and it comes from industry. We have, for example, now——

Senator BALL. Is OPA requesting it?

Mrs. WICKENS. Oh, yes, sir; we are providing this material to OPA just as soon as it comes off the tabulating machines. I talked with Mr. Porter this morning, as I met him in your anteroom, and he is much interested in having more prompt information than our normal schedule can provide. For example, we have many telegrams daily asking for information on the cost of living in July, or rather on consumers' prices in July. Under normal schedules, we would have been providing figures on June during the last few days, and would have nothing on July until about the 20th of August.

TABULATION OF JULY FIGURES SPEEDED UP

Now this month, we have done two things: We have speeded up our tabulation of July figures, so that we expect to have preliminary ones by the week-end, which is about 3 weeks faster than we normally would get them.

OBTAINING OF WEEKLY FIGURES FROM GROCERY STORES

Second, we have sent our agents into the field on four different occasions, on Tuesday of each of the past 4 weeks, to get figures at grocery stores on prices of 15 foods in 12 cities, to report them to us by telegraph, so that we have had a summary report, not statistical, but sufficient to show trends, within 48 hours after the figures were collected. That information has been issued in a series of press releases. I have a copy of the latest one here, there will be another one tomorrow.

COST OF WEEKLY QUICK SUMMARY

Senator BALL. How much does this Tuesday quick summary cost?

Mrs. WICKENS. It costs us \$85 per city.

Senator BALL. And 12 cities?

Mrs. WICKENS. So you have 12 times 4 for the month, 48 times \$85.

NEED TO COVER ADDITIONAL NUMBER OF CITIES

Senator HAYDEN. Is it Senator Murray's idea that you should go into an additional number of cities?

Mrs. WICKENS. That is true; further that we should issue this information locally. It is now being issued out of Washington. More than that, we should be in the position to provide information on the over-all picture of consumers' prices, not merely for food, but for cost of other living items, more promptly than our present staff will permit.

Senator BALL. Was this whole thing Senator Murray's idea, or did the Department bring it up?

Mrs. WICKENS. Originally, the idea was suggested in the House by Congressman Voorhees, who introduced a resolution. I have it here with me.

Senator BALL. I had the impression that what you needed was some additional funds, because we are in a period of rather violent price fluctuations and bound to be in it for a few months, and you needed a faster report than you had now, but now you are getting into a new function of collecting local community cost of living statistics, publishing them locally and a whole new program.

Mrs. WICKENS. I am sorry, I did not make myself clear in that case. May I clarify that statement, because what we have done is to go into the same stores in the same cities in which we ordinarily collected food prices, but we have gone there four times within the month instead of once within the month. We would propose to continue weekly.

Senator BALL. That costs you 12 times \$85 per city, which would be \$780. Say a thousand dollars a week. Then if we gave you \$25,000 in addition, you could do this faster reporting for the next 6 months when the most violent period, when the greatest need is for these statistics?

OTHER PARTS OF PROPOSED PROGRAM

NEED TO SPEED UP TABULATION OF REGULAR COMPREHENSIVE MONTHLY COST-OF-LIVING REPORTS

Mrs. WICKENS. There are two other parts of the program which we have discussed with Senator Murray. The second is to speed up the tabulation of our regular comprehensive monthly reports on cost-of-living items for 34 large cities, such as we are now doing. That will require additional field people and the additional clerical people. That cost is not set out here in specific dollars and cents.

PRICE AND RENT INFORMATION NEED IN SMALL TOWNS

Finally, there is the problem of what is happening in small towns. Last year, we cut our program back so that all of our information on small towns was eliminated. We know nothing about what is happening to prices or to rents in small towns, so that another part of this program was to authorize us to collect information on food prices and on rents, in small cities. For example, we would propose to collect rents in some 40 additional cities. We now have only 34 cities, and they are all large. We are now collecting rents only semi-annually for these 34 large cities. Ordinarily, we would have information collected in September for 19 of these cities.

Senator BALL. With rent control back on over the country, there is not any great need for that.

Mrs. WICKENS. We have yet to answer the question, how much rents went up, sir.

Senator BALL. What good would it do? OPA will roll them back. Collecting figures on a dead horse does not impress me as being a very valuable thing.

Mrs. WICKENS. I should think it would be important to be able to prove that they had been rolled back. That is to say, to have an unbiased report which was complete for all 34 cities, as collected in the same way in which it is normally collected. We know that there have been tens of thousands of rent increase notices sent out and some of them have gone into effect.

We do not have statistics to prove this, but we do have many reports, and we will be asked whether in fact rents are up.

Our program is geared to a period of fairly stable prices and rents.

FOOD PRICE INFORMATION ON SMALL- AND MEDIUM-SIZE CITIES

Finally, there is the question of whether we should not have information on food prices in small- and medium-size cities. We now cover food prices once a month in 56 cities, most of them large. Those figures are available within about 3 to 4 weeks after they are collected on the normal schedule. At one time during the history of OPA, during and after preparation of dollar-and-cents ceilings, we had information on 100 cities, so far as food prices were concerned. The OPA used those both to set and to check its dollar-and-cents ceilings.

As our figures now stand, we have no information on price changes in cost-of-living items in any community at all in 20 States. There are a great many wage-adjustment cases coming up, because many wage agreements have clauses permitting reopening in the event of a major change in the cost of living. People are not satisfied with having information for a city that is 300 miles away in some other State.

We should, therefore, like to be able to present information which is on a wide geographic coverage during this emergency period, as it is required. I should say, Senator, that we regard this as an emergency program.

QUESTION AS TO WHETHER PROGRAM IS NEW

Senator McCARRAN. Has this emergency ever presented itself to your knowledge in your Department before, or is this altogether a new program set-up?

Mrs. WICKENS. No, sir; after the war broke out, but even before the United States entered the war—in 1941—we extended our cost-of-living work into small cities and into additional cities, so that in total we covered, until last June, 73 cities and towns. Last year we took a cut of three quarters of a million dollars in our requested appropriations, and we eliminated all of the work in small and medium-sized cities.

ADDITIONAL AMOUNT ALLOWED, FISCAL YEAR 1947, FOR COST-OF-LIVING STUDIES

Senator BALL. We gave you about \$300,000 more for the cost-of-living studies.

Mrs. WICKENS. That is true.

Senator BALL. Suppose it were extended to 50 more cities?

STUDY TO ESTIMATE COST OF A WORKINGMAN'S BUDGET IN CERTAIN LOCALITIES

Mrs. WICKENS. \$115,000 of this additional fund was to cover the cost of Public Law 106, so that the increase so far as program was concerned, was \$139,000. That was ear-marked for a special job. It was to estimate the dollar cost of a workingman's budget in small and medium sized cities, a job which we are now doing for the 34 large cities.

Senator McCARRAN. What money was applied to that?

Senator BALL. That was only about \$30,000.

Mrs. WICKENS. The \$30,000 was for the check of consumers' prices paid by housewives.

Senator BALL. I do not remember a single thing in the hearings about any budget study in the cost of living thing. The House put in \$100,000 more and said they wanted that to cover these additional, I think, 40 cities. The Bureau came in here and said that was not enough to do it, and they told us what was necessary to cover these additional cities on the cost-of-living study, and we put in everything they asked and it stayed in in the conference.

Mrs. WICKENS. May I make a statement on that, because this prepared program is quite different than the one to which you refer. That study is to prepare an estimate of the dollar cost of minimum adequate living for a workingman's family in 34 large cities.

Senator McCARRAN. Was it in the bill?

Mrs. WICKENS. That particular job was in the bill; yes, sir. It originated with the House committee 2 years ago. Last year, funds were given to us to undertake that specific job, which is a special job. We first make a list of items that go into a workingman's budget. You decide how many pairs of hosiery his wife should have and so on. Then these articles are priced and the cost totaled.

Senator BALL. You did it last year?

Mrs. WICKENS. We are in the process of doing it now for 34 large cities. It is almost completed.

Senator McCARRAN. Was not that in the regular bill, and did not we allow everything you wanted?

STUDY EXTENDED TO ADDITIONAL CITIES

Mrs. WICKENS. Yes; you did. The House this year heard testimony of Mr. Kelley of the railway brotherhoods after our hearings before them had been concluded. He requested that the House provide funds to extend this dollar estimate of a workingman's budget to additional cities, small and medium-sized cities. It was not for this purpose of measuring price changes in small cities at all. The House increased the amount proposed by \$100,000 for that purpose. That is what is meant by the language "study and report on the cost of living." It was originally proposed by Congressman Engle. Mr. Hinrichs reported to you that although the House had asked us to cover additional cities, it had not provided the full amount of funds, because it did not cover the cost of Public Law 106, which accounts for \$115,000 of the increase made in the Senate. He also called your attention to the fact that the survey of consumer prices, that is prices housewives pay, which was initiated a year before at Judge Tarver's suggestion, had not been provided for, and you added another sum, amounting to \$139,000 exclusive of the cost of Public Law 106.

QUESTION AS TO VALUE OF STUDY

Senator BALL. What good will this study of a workingman's budget in this period be to you? Obviously, you are in a period of fluctuating prices today, and you can get your figures all together and get a nice budget figured out, and it won't be worth the paper it is written on in a year, probably.

Mrs. WICKENS. In 34 large cities we can keep it up to date quite satisfactorily during the better part of a year with price changes shown by our regular collection of consumers' prices. We cannot do that in small cities where we do not now have any current price reports.

NEED TO REPORT ACCURATELY AND RAPIDLY ON PRICE CHANGES

Senator HAYDEN. You mentioned a moment ago that this request would not be a recurring item, you wanted to do a job just to take care of this emergency while we still have price control, and then you would not repeat it another year.

Mrs. WICKENS. That is right, sir. We are saying here, essentially, that we would like to be prepared to report accurately and rapidly on price changes on not only the large cities, but small cities.

ITEM NOT PRESENTED TO HOUSE

Senator McCARRAN. Was this presented to the House?

Mrs. WICKENS. This was not.

Senator McCARRAN. Why not?

Mrs. WICKENS. Why not?

Senator HAYDEN. The suggestion was made by Senator Murray.

Senator BALL. Is this from the Bureau of the Budget or from the Department?

STATEMENT OF JAMES E. DODSON, BUDGET OFFICER, DEPARTMENT OF LABOR

Mr. DODSON. This has originated in the Senate Labor and Education Committee, and we were given a phone call to be ready to come down here and present our story to you.

CONSIDERATION IN 1947 BILL OF COST-OF-LIVING ITEM

In connection with the statement you made in regard to the cost of living, I checked back through the prepared statement that Mr. Henrichs had used before this committee, and it does say there is also a provision in the bill for an increase of \$100,000 in the authorization of work on the cost of living.

Senator BALL. The whole story we got from the Bureau is that we had given enough with the House increase to extend this cost-of-living study, as I recall, to some 40 additional cities to take in some of the smaller cities. Apparently, the story they told us then was completely wrong.

Mrs. WICKENS. I am sorry, I am sure Mr. Henrichs did not mean to mislead the Senators. It may be a confusion of terminology. The term "cost of living" has been used to mean both dollar cost of living, which is the study referred to specifically in the appropriation act

this year, and also to refer to changes in consumers' prices which is under discussion here today.

Senator McCARRAN. My over-all recollection is this, that this committee, when your annual bill was before it, went into all of these matters and tried to comply with your request.

Mrs. WICKENS. I am sure that is true.

Senator McCARRAN. We came pretty near doing it. Even in conference we worked it out for you. Now you have an entirely new situation, as I gather it; if I am in error, I would like to be corrected. This is a new program that comes up here by a new thought, coming out of the Labor Committee. Am I right in that or in error?

NEW SITUATION CREATED BY SUSPENSION OF OPA

Mrs. WICKENS. You are right, except for one fact. The new situation was created by the suspension of OPA on the 1st of July. We had no idea that prices would move as they have.

Senator BALL. The only item here that I can see that really is justified is this collection, once a week, of these statistics instead of once a month in this period of fluctuation, and that, I understand, costs about \$780 a week. That is no additional personnel expense. That must be the expense of telegrams, and so forth.

Mrs. WICKENS. There is additional personnel in the field because we hire them by the day in the field to do this work. Also clerks are provided for tabulation work.

Senator BALL. I would go for that additional \$22,000 to cover these additional quick summary reports on prices, for the next 6 months. I cannot see any justification for coming in here at the last minute with a deficiency for this, for \$200,000.

That is additional as a program which I just do not think we can get to first base with the House anyhow. I think there is a real justification for getting the price figures weekly and getting them within 48 hours during the next few months at least.

Mrs. WICKENS. We are proposing to cover more cities, also. I should like to ask whether it seems to you desirable to go into additional States, that is, additional cities in the 20 States now not covered by indexes. We are embarrassed by being unable to answer price questions in so many States.

Senator McCARRAN. You would have to go into every State?

Mrs. WICKENS. That is what I mean.

Senator BALL. We could not consider that kind of a program in a deficiency bill. That should come to the regular subcommittee.

Senator HAYDEN. I think we understand it. Thank you very much.

Senator BALL. Will you work out with the clerk of the committee the form in which this \$22,000 or \$25,000 should go into the bill to cover this quick weekly summary of reports on prices?

Mr. DODSON. Yes, sir. I did not quite get it, \$22,000. I estimated it was \$72,000.

Mrs. WICKENS. You understand that that will not permit us to speed up our monthly figures, either. That means that we must wait a month for an over-all statement on consumer's prices. It is pretty hard to handle now. It is hard for us to say, "Sorry, but our figures are cold. They are a month old."

Senator HAYDEN. We thank you.

FEDERAL SECURITY AGENCY

PUBLIC HEALTH SERVICE

STATEMENT OF HON. LISTER HILL, A UNITED STATES SENATOR
FROM THE STATE OF ALABAMA

PROGRAM PROVIDED FOR IN HOSPITAL SURVEY AND CONSTRUCTION BILL

Senator HILL. I am here to ask you to put an item in the appropriation bill of some \$4,000,000 to start the program that is provided in the hospital and public health bill.

The Senator from Minnesota not only remembers that, but he helped write that bill, so he is familiar with it. As the Senator will recall, we had a provision in the bill for an appropriation of \$3,000,000 to make these surveys so the States can survey their hospital and health center needs and work out their plans. I might say, as the Senator recalls, that this aid will go not only to public hospitals, but to non-profit private hospitals as well. The bill had the strong support of the American Hospital Association and the Catholic Hospital Association and the Protestant Hospital Associations.

What I am asking here this morning is that we may get the program started. Before any hospitals or health centers can be built or any Federal aid be granted for construction, that you have to make the surveys, and work out the plans.

Senator HAYDEN. Has this been taken up with the Budget?

Senator HILL. It has not, for the reason, that the bill has not been signed by the President. I am certain that the bill will be signed by the President, but I have not taken it up with the Budget for that reason.

AMOUNT OF FUNDS REQUESTED

Senator BALL. How much do you want?

Senator HILL. I want altogether, \$4,714,000.

Senator HAYDEN. Has the bill passed both Houses?

Senator HILL. The bill has passed both Houses.

It is in this position, that the Senate will act just as soon as I can get the Senate floor, and that will conclude the whole matter, and the bill then goes to the President.

Senator HAYDEN. Do you have something that you want to put in?

Senator HILL. I will put this break-down statement in the record.
(The document referred to is as follows:)

FEDERAL SECURITY AGENCY,
UNITED STATES PUBLIC HEALTH SERVICE.
Washington 14, July 31, 1946.

The attached proposed budget for formulation and execution of the program contemplated by amendments to the Public Health Service Act for surveys and construction of hospital and health facilities provides for the fiscal year 1947, a total of \$4,714,627. Of this amount, the full sum authorized for surveys, \$3,000,000, is expected to be expended or encumbered for use as rapidly as various States can proceed with details. Approximately 37 States are in a position to take early action in this regard. Of the remaining amount, \$1,476,309 is proposed for personal services for 342 full-time employees and part-time consultants in the various specialties and including eight members of the Federal Hospital Council with a secretary and such consultants as that body requires. The remaining approximately \$250,000 would be necessary for purchase of supplies, equipment, communication, transportation, travel, and miscellaneous expenses necessary to

efficient administration of the program. No request is included for grants to States for construction purposes, although the legislation authorizes an annual appropriation for 5 years of \$75,000,000. It does not appear at this time that it will be possible to complete surveys and programs and to reach the stage of beginning actual construction during the fiscal year 1947.

While the funds are here requested in anticipation of the enactment of the Hospital Survey and Construction Act, the basic authority for the utilization of such funds already exists under provisions of section 301 and section 311 of the Public Health Service Act.

Senator McCARRAN. Have you a formal amendment?

Senator HILL. Yes; I have a formal amendment.

Senator HAYDEN. Thank you very much.

(Thereupon, at 12:50 o'clock, the committee adjourned to reconvene at 2 p. m.)

AFTERNOON SESSION

(The committee reconvened at 2 p. m.)

FEDERAL WORKS AGENCY

STATEMENTS OF MAJ. GEN. PHILIP B. FLEMING, FEDERAL WORKS ADMINISTRATOR, ERNEST E. HALL, EXECUTIVE OFFICER; D. E. A. CAMERON, BUDGET OFFICER, FEDERAL WORKS AGENCY, OFFICE OF THE ADMINISTRATOR; THOMAS H. MacDONALD, COMMISSIONER OF PUBLIC ROADS; CHARLES D. CURTISS, DEPUTY COMMISSIONER, PUBLIC ROADS ADMINISTRATION; GEORGE H. FIELD, COMMISSIONER OF COMMUNITY FACILITIES; WALTER H. DUNCAN, DEPUTY COMMISSIONER FOR ADMINISTRATION, BUREAU OF COMMUNITY FACILITIES

DAMAGE IN HAWAII AS RESULT OF TIDAL WAVE

The CHAIRMAN. What have you to say?

General FLEMING. I am here to discuss two appropriation items for repair of damage out in the Territory of Hawaii. H. R. 6918, which has passed the House and Senate, authorizes appropriations to repair these damages, and I understand over the ticker this morning it has been signed by the President, so it is now a law. They had a tidal wave there last April, which did a considerable amount of damage. It so happens that Mr. MacDonald and I were returning to this country from India, and came through the Hawaiian Islands later in April and got a little first-hand knowledge of the damage that was done there.

This act provides not only for repairs to the damage, but also repairs to bridges, and so forth, throughout the islands not damaged by the tidal wave, but by military and naval traffic throughout the war.

AMOUNT OF APPROPRIATION REQUESTED

The first part of the act provides for damage to structures and to clean up debris in the amount of \$1,300,000. The report on the bill shows various items which were damaged to the extent of \$2,600,000. The act provides that we can make grants to the public bodies owning these various structures in the amount of 50 percent, so that the

appropriation asked for is \$1,300,000 to meet half of the \$2,600,000 worth of damage, exclusive of highway damage.

We have had people from our Public Roads Administration out there investigating the highway damage due to war traffic plus the highway damage due to the tidal wave. They have estimated that \$10,000,000 will be necessary to do that work on a 50 percent matching basis.

PRECEDENT FOR AID

Senator BRIDGES. Is this a customary thing? What is the precedent for it?

General FLEMING. It was an unexpected tidal wave over which they had no warning.

REPAIR OF STATE ROADS DAMAGED BY MILITARY ACTIVITIES

Senator FERGUSON. This war damage on the roads?

General FLEMING. That is a customary thing.

Senator FERGUSON. Are we in Michigan going to get our roads repaired?

General FLEMING. We have had appropriations to repair damage that were the result of war in many states.

The CHAIRMAN. We did not have that in Tennessee?

General FLEMING. In the maneuver areas down there, is not that correct, Mr. MacDonald?

Mr. MACDONALD. Yes, sir.

General FLEMING. We repaired those in Tennessee and other States.

Senator FERGUSON. We have had a lot of streets worn out by hauling munitions over them and war supplies. Nobody has offered to repair ours.

General FLEMING. Maybe the State has not asked for it.

Senator FERGUSON. I know we repaired them over in Bermuda. We resurfaced all of the roads over there.

General FLEMING. We have done a good deal of work under Public Roads Administration in the repair of highways, particularly the ones in the maneuver areas. It is not anything new. So far as the tidal wave is concerned, it is a new cause.

CHECK ON FUNDS TO BE EXPENDED UNDER APPROPRIATION

The CHAIRMAN. Let me ask you this, you are going to contribute one-half of it? What steps do you take to see that that money is properly spent?

General FLEMING. We will proceed very much as we did under the old Public Works Administration procedure. As a matter of fact, we have a man now in Honolulu who supervised our PWA program out there. After the expiration of that program he remained to supervise the Lanham activities in Hawaii. The people in Hawaii have followed the PWA procedure and have already submitted applications to us for projects to repair some of the damage done out there.

Our man reviews the applications on the site, sends them to us with an estimate of the cost. We review the application and, if approved, we make a grant and then put an inspector and an auditor on the job to see that the job is properly done and that the expendi-

tures are correct. If the final cost is less than the estimated cost, we do not pay that particular part of the grant.

PRECEDENT FOR AID

Senator HAYDEN. You stated that this damage from tidal wave was peculiar, but nevertheless it was in the nature of a catastrophe. There was great damage done to roads by a flood in Vermont. We made a special appropriation to help them, after the hurricane.

General FLEMING. That is right.

Senator HAYDEN. Where great and unexpected and extraordinary damage is done, it has been customary for Congress to assist. As I understand it here, the Federal Government would contribute half and the Territory of Hawaii the other half.

The CHAIRMAN. That is in lieu of the Public Roads Administration. Are they going to contribute half of that?

Senator FERGUSON. Did not we do it on a specific bill, not through Army appropriations?

Senator HAYDEN. This is a specific bill authorizing this.

General FLEMING. I am not representing the Army, but the Federal Works Agency.

Senator FERGUSON. I thought you were representing the Army.

General FLEMING. I am the Administrator of the Federal Works Agency. I just happen to be an Army officer.

Senator FERGUSON. You are in uniform and that is the reason for thinking that you represented the Army.

PROPORTION OF COST TO BE PAID BY FEDERAL GOVERNMENT AND BY TERRITORY OF HAWAII

The CHAIRMAN. Is that supposed to be divided in the same way, or not? Mr. MacDonald can answer it.

Mr. MACDONALD. Mr. Chairman and gentlemen, when Mr. Rush came here to discuss the request of the Territory for an appropriation to repair the damages done by this seismic wave, they had already on file with us a notice that they would repair war damage to roads that had been destroyed by the Army and Navy, and that that bill would be a considerable bill. We estimated it roughly at \$8,000,000. In addition, there were the seismic-wave damage estimates of more than a million dollars.

RAILROAD NOT TO BE RECONSTRUCTED

Then there was the destruction of the railroad running along one side of the island that was destroyed to such an extent that they propose not to rebuild the railroad, but to rebuild the highway so as to take a very heavy tonnage of sugarcane.

The CHAIRMAN. Is the railroad owned by private interests or by the Government?

Mr. MACDONALD. It was owned by private interests.

Senator HAYDEN. Not going to be rebuilt?

HIGHWAYS TO REPLACE RAILROAD

Mr. MACDONALD. It will not be rebuilt, and that will throw all of the tonnage for the production in that area onto the highways, which will require rebuilding, and repair, of the damage done.

Senator FERGUSON. We will have to put in a much heavier highway?

Mr. MACDONALD. Yes; and the cost of that was \$11,000,000. I could see claims up to \$20,000,000 in Federal funds developing out of these situations. In a conference with Mr. Rush we agreed that we would recommend an appropriation of Federal funds to the extent of \$10,000,000 to cover all claims for highway damage that might be submitted. After they had considered these claims and this recommendation from their angle they agreed to accept it.

PROPORTION OF COST TO BE BORNE BY FEDERAL GOVERNMENT AND
BY TERRITORY OF HAWAII

Senator HAYDEN. What Senator McKellar wanted to know as to this road work that is to be done, what proportion of it is to be paid by the Federal Government and what proportion will be paid by the Territory of Hawaii?

Mr. MACDONALD. The emergency repairs could be paid 100 percent by the Federal Government under the act of 1943—July 13, 1943—providing for emergency repairs of highways damaged by the Army or the Navy operations or by their contractors or in maneuver areas.

Under that bill the general procedure is for the unit of government, the State, to make the repairs and to file a bill, which we audit in the field. That is, we go over this work in the field and make a recommendation to the Bureau of the Budget. It is then passed up to Congress and acted upon as a claim against the Government. It does not come before the Roads Committee, but it does come in the form of a claim and as such requires an appropriation.

Faced with this large emergency repair in Hawaii, we felt that it would be desirable to incorporate it in the request for emergency relief for the seismic wave damage, so that your committee would have the opportunity to consider it and pass on it, because it is the biggest claim that we have or expect to have, under the terms of the act.

REPAIR OF STATE ROADS DAMAGED BY MILITARY ACTIVITIES

We are continuously auditing and recommending the payment of claims for all of the States. In answer to Senator Ferguson's question, we have audited and paid some claims made by the State. And we have in Tennessee—we have repaired the roads in the whole maneuver area there.

Senator FERGUSON. Have you any in Michigan? I know of none in Michigan.

Mr. MACDONALD. We have.

Senator FERGUSON. Where in Michigan?

Mr. CURTISS. I think it was in the southern area, a small claim of \$35,000.

Senator FERGUSON. Will you get that and make it clear?

Mr. MACDONALD. Yes, sir. I will send you a statement.

Senator O'MAHONEY. Do they have any seismic waves in Michigan?

Senator FERGUSON. Not yet.

HIGHWAYS TO REPLACE RAILROAD

Senator HAYDEN. The seismic wave damaged the railroad so it is going to be abandoned?

Mr. MACDONALD. Yes, sir; due to the seismic wave, sections of it were washed out to such an extent that private interests will not repair and reinstate the operation of the railroad. It is estimated the cost for the building of the road to take the traffic that was on this railroad, carried by this railroad, is in excess of \$11,000,000.

The CHAIRMAN. That is for sugarcane?

Mr. MACDONALD. Yes, sir. The tonnage that was carried before the tidal wave, annually into Hilo on the Hawaiian Consolidated Railroad Co.'s tracks was 323,000 tons of raw sugar and 77,000 tons of molasses from the northeast coast of the island. That will have to be carried on the roads now, because the railroad will not be rehabilitated.

It is my judgment that this is the most economical settlement for the Federal Government.

COMPLETE SETTLEMENT CONTEMPLATED UNDER PROGRAM

The CHAIRMAN. If you did this, does it say it is in settlement of all claims?

Mr. MACDONALD. Yes, sir; it is.

The CHAIRMAN. Let us see whether it does or not. It does not say that.

Senator O'MAHONEY. How much is involved?

Mr. MACDONALD. \$10,000,000 in the bill; yes, sir.

General FLEMING. \$10,000,000 for the road, and \$1,300,000 for damage to other structures.

Senator O'MAHONEY. Will that settle it?

General FLEMING. Under this act that will be the final settlement.

Senator O'MAHONEY. Will the language in this act actually settle it?

General FLEMING. Yes, sir.

The CHAIRMAN. It is not in the copy that is here.

Mr. MACDONALD. As I stated before, Mr. Chairman, under the act of July 13, 1943, the Territory would have full authority to go ahead and to do the repairs on the road and submit the claims under the authority already granted. So this is not an additional appropriation. We believe it to be the most economical settlement of all of the claims.

The CHAIRMAN. Have they agreed to it?

Mr. MACDONALD. Yes, sir.

The CHAIRMAN. All right; we understand it. Anything else?

We are very much obliged to you gentlemen.

INTERIOR DEPARTMENT

EVACUATION CLAIMS COMMISSION

STATEMENT OF DILLON S. MYER, ACCOMPANIED BY PHILIP M. GLICK

The CHAIRMAN. The next item is for the Evacuation Claims Commission.

(Statement on Evacuation Claims Commission is as follows:)

EVACUATION CLAIMS COMMISSION

"Evacuation Claims Commission: For initiating the program provided for in the Act entitled "An Act to create an Evacuation Claims Commission under the general supervision of the Secretary of the Interior, and to provide for the powers, duties, and functions thereof, and for other purposes" (S. 2127 or H. R. 6780, Seventy-ninth Congress), fiscal year 1947, \$100,000: *Provided*, That this appropriation shall not be available for obligation until the enactment into law of said S. 2127 or H. R. 6780."

The establishment of the Evacuation Claims Commission has been recommended with authority as defined in the act to adjudicate claims arising out of the evacuation or exclusion of persons of Japanese ancestry from west coast military areas, Alaska, and Hawaii subsequent to December 7, 1941 (S. 2127 or H. R. 6780). Section 3 (a) of the act provides that "The Commission shall receive claims for a period of eighteen months from the date of approval of this Act. All claims not presented within that time shall be forever barred."

In order to get the necessary machinery under way, to draw up rules and regulations, establish procedures, prepare budget estimates, and otherwise to carry out the provisions of the act, an initial appropriation of \$100,000 is requested to permit the establishment of a small administrative staff, procure lawbooks and books of reference, for printing and binding, for travel expenses, and other administrative expenses necessary to the establishment of policies and procedures and making them available to eligible potential claimants in time to provide adequate opportunity for the filing of claims under the provisions of the act.

The CHAIRMAN. All right.
Will you tell us about it?

PROVISION OF PENDING AUTHORIZATION BILL

Mr. MYER. Yes, Mr. Chairman. This item is presented on an if-and-when basis, assuming that the Evacuation Claims Commission bill, which has passed the Senate, may possibly pass the House.

We do not know that that will happen. However, the Evacuation Claims Commission bill provides for the establishment of a claims commission which would exist not longer than a 5-year period, for considering claims growing out of the military evacuation of the west coast; it provides furthermore that all claims would have to be filed within an 18 months' period after the bill is signed.

The CHAIRMAN. What is the nature of the claims?

Mr. MYER. The claims, Senator McKellar, would be claims regarding losses of either real or personal property, or impairment of assets, resulting from the evacuation.

NATURE OF CONTEMPLATED CLAIMS

Senator FERGUSON. What do you have in mind? What could be the damage?

Mr. MYER. The major problem involves people who were evacuated so quickly that they did not have an opportunity to dispose of their

property. Terminal Island, for example, was evacuated on 48 hours' notice. Many evacuees disposed of their property at sacrifice prices. Because inadequate provision was made for safeguarding property there was a great deal of vandalism. In some cases they had crops in the ground, which they were unable to realize on.

Senator FERGUSON. Why would a man sell his property because he was being evacuated from it? I have not been able to see that.

Mr. MYER. It was stolen in some cases.

Senator FERGUSON. Suppose he owned 50 acres and sold them, sold it for less than it was worth, are we going to pay the difference?

Mr. MYER. Generally speaking, I should say "no". In most cases, real estate was not sold.

JURISDICTION OF COMMISSION

Senator FERGUSON. We give the Commission authority to do what it wants to with this money?

Mr. MYER. It would have permission to consider claims within the limits of the bill which deals with impairment of assets or property losses. The Commission would have authority to adjudicate claims of \$2,500 and under; all others would follow the Court of Claims type of procedure.

APPROPRIATION REQUIRED ON PASSAGE OF LEGISLATIVE AUTHORIZATION

Senator O'MAHONEY. The question, as I understand it, is simply this: If Congress enacts a law authorizing a certain procedure with respect to evacuees' claims for damage, then you want an appropriation to enable you to carry out the law of Congress.

Mr. MYER. That is correct.

The CHAIRMAN. That would mean that the law would have to be passed because the Congress has indirectly given its consent to it?

Senator O'MAHONEY. The bill has already passed the Senate.

The CHAIRMAN. It has not passed the House.

Senator O'MAHONEY. Therefore, if it does not pass the House, the appropriation is of no value.

The CHAIRMAN. It would be a tremendous incentive to require the two Houses to pass it. It seems to me that is a mighty poor way of legislating, and I think that you should get the authorized legislation first.

My own idea about it is that this is just giving it to anybody that you wanted. Suppose I was a farmer on the Pacific coast, and I was a Jap and had to get out, and it has been a number of years, I could think of all of the things that I might have done, might have made and all of that, and the Government pays for it. The Federal Government has got more money than all of the governments in the world. Yes; we have got it, we give it out. I do not believe in it, myself. I am going to be perfectly frank with you. I am going to vote against it.

KNOWLEDGE OF PROBLEM BY INTERIOR DEPARTMENT PERSONNEL

Senator FERGUSON. What office do you represent?

Mr. MYER. I am in the Department of Interior. I am the former Director of the War Relocation Authority.

Senator FERGUSON. We changed the bill so that your Department would have nothing to do with it.

Mr. MYER. We are the only Department that has knowledge of what the problem is at this time.

Senator FERGUSON. I think that is the trouble, that you have too much knowledge.

Mr. MYER. The only reason this item was presented now, is because the bill provides a limitation of 18 months within which to file claims. It was felt desirable that a small appropriation be provided, which would be available to set up procedures, forms, and regulations. So that eligible claimants might know what those procedures were and be able to file claims within a reasonable time if the bill is enacted.

The CHAIRMAN. Can you imagine any more profligate kind of legislation than that legislation that you just suggested? You would take this \$100,000 and employ people. I do not know whether the House will ever do it.

Senator HAYDEN. Oh, no.

Mr. MYER. It is provided that if the bill does not become law, the appropriation would not be available.

Senator FERGUSON. We took it away from the Interior Department. We took it away from this office, because we expected that they would want to administer it in the way that has been indicated here, and we want, if it is passed at all, a new commission, independent from this office entirely, so that we are not paying for everything.

EXTENDED FILING TIME REQUIRED IF APPROPRIATION DELAYED

Senator O'MAHONEY. Mr. Myer, if the bill passes the House——

Senator FERGUSON. I am against appropriating until the Commission is all set up.

Senator O'MAHONEY. If the bill passes the House, is there any reason—of course, we do not know in what form it will pass, if it does; it has already been changed in the Senate—is there any reason why the appropriation could not wait until January? There will be deficiency bills then.

Mr. MYER. The only reason is that it will probably take a small group of people at least 4 or 5 months in any case to formulate policies and procedures under which claims could be filed and the program could be initiated.

Senator O'MAHONEY. You cannot undertake to do that until you know what the law will be.

Mr. MYER. Excepting that the law as passed by the Senate did provide for an 18-month period within which claims must be filed or be forever barred.

Senator O'MAHONEY. When do the claims accrue?

Mr. MYER. The claims are only claims that resulted from the evacuation which took place beginning early in 1942.

Senator O'MAHONEY. Some 4 years have already elapsed.

Mr. MYER. That is right.

Senator O'MAHONEY. Is not this a matter that could be handled in January 1947?

Mr. MYER. With this possible proviso, that if the appropriation is not available in time, we might want to suggest an amendment to the bill allowing a longer period for filing of claims than the 18 months. Six months would have passed by the time appropriation would be

available. That is the only reason that this item is presented at this time.

Senator O'MAHONEY. There will be a deficiency bill, undoubtedly, in the new year.

Mr. MYER. I am not going to administer this program. We are presenting the item because we are the only ones that are familiar with the details.

The CHAIRMAN. We are very much obliged to you.

EFFICIENCY OF WAR RELOCATION AUTHORITY

Senator O'MAHONEY. I think I ought to put in the record that you have administered very efficiently that task, the tasks which were given to you, under the War Relocation Authority.

Mr. MYER. Thank you, very much.

Senator FERGUSON. I cannot agree with that; I would like, also, to place that in the record. If we are going to get the record one way, I will put it the other way.

The CHAIRMAN. We are very much obliged.

GOVERNMENT IN THE TERRITORIES

EMERGENCY LOANS, TERRITORY OF HAWAII

STATEMENT OF IRWIN W. SILVERMAN, CHIEF COUNSEL OF DIVISION OF TERRITORIES, DEPARTMENT OF THE INTERIOR

The CHAIRMAN. The next witness is for "Government in the Territories," Department of the Interior. I will insert a statement from the Department in the record.

(The statement is as follows:)

DEPARTMENT OF THE INTERIOR

GOVERNMENT IN THE TERRITORIES

"Emergency loans, Territory of Hawaii: For the establishment of a revolving fund for loans and administrative expenses, including printing and binding, in carrying out the purposes of section 3 of the act entitled 'An act to provide relief for the victims of seismic waves which struck the Territory of Hawaii, and for other purposes' (H. R. 6918), \$5,000,000."

H. R. 6918 is an emergency measure to extend prompt and adequate relief to victims of the seismic waves of April 1946. Section 3 authorizes the Secretary of the Interior to make loans on liberal terms for the purpose of facilitating the rebuilding or repair of private homes, stores, or other structures damaged or destroyed by the waves. Any delay in making an appropriation under this authorization would largely negate the purpose for which the authorization was given, namely, to assist small-income victims who were rendered homeless or lost their small business property in April and who will have no other means for obtaining early relief.

The amount of \$5,000,000 was recommended for this purpose by the Governor of Hawaii. It was estimated by the Territorial Government that the total amount of damage to private property amounted to \$18,000,000, divided as follows: Damage to homes and furnishings, \$6,500,000; business houses, \$6,000,000; goods in stores and warehouses, \$3,000,000; fishing boats and ponds, \$300,000; crops, auto equipment, \$850,000; other private property, \$1,350,000. It was further estimated that \$13,000,000 could be provided through commercial credit and by other means.

Mr. SILVERMAN. My name is Irwin Silverman. I am the Chief Counsel of the Division of Territories, and I speak also on the emergency tidal-wave bill in Hawaii. Section 3 of the bill passed by the

Senate and the House and signed by the President this morning, provides that \$5,000,000 be allocated the Department of the Interior to make loans for the purpose of facilitating the rebuilding or repair of private homes, stores, or other structures damaged or destroyed by the waves. Any delay in making an appropriation under this authorization would largely negate the purpose for which the authorization was given, namely, to assist the small-income victims who were rendered homeless or lost their business property and who will have no other means of obtaining early relief. The amount of \$5,000,000 was recommended for this purpose by the Governor of Hawaii.

TOTAL AMOUNT OF DAMAGE TO PRIVATE PROPERTY IN HAWAII AS
RESULT OF SEISMIC WAVE

It was estimated by the Territorial Government that the total amount of damage to private property amounted to \$18,000,000, divided as follows:

Damage to homes and furnishings, \$6,500,000; business houses, \$6,000,000; goods in stores and warehouses, \$3,000,000; fishing boats and ponds, \$300,000; crops, auto equipment, \$850,000; other private property, \$1,350,000.

It was further estimated that \$13,000,000 could be provided through commercial credit and by other means. Therefore, the \$5,000,000 difference between the \$13,000,000 and \$18,000,000 estimated damage, should be provided for by the Federal Government as authorized in H. R. 6918.

AMOUNT REQUESTED IS TO BE USED FOR LOANS

Senator BRIDGES. Is it a loan altogether?

Mr. SILVERMAN. A revolving fund of \$5,000,000.

Senator BRIDGES. Who is that to be administered by?

Mr. SILVERMAN. By the Department of the Interior.

Senator BALL. Why should it be a revolving fund if the total that you are going to loan is \$5,000,000?

Mr. SILVERMAN. A revolving fund in the sense that an amount not to exceed \$5,000,000 will be made available. I think a good deal of that will not be needed.

Senator BALL. A revolving fund is a permanent proposition, as it is paid back it is available to reloan. I think the language is very bad.

The CHAIRMAN. You will have to change that. What do you say about \$18,000,000? What is that?

Mr. SILVERMAN. That is estimated as the total damage other than damage to roads and public buildings.

The CHAIRMAN. Is it claimed that the Government, the Federal Government, is liable for that \$18,000,000?

Mr. SILVERMAN. No; it is not; and there is no liability even for the \$5,000,000 proposed. The \$5,000,000 proposed is merely a fund to be used for making loans to small business people and small farmers and persons who are not able to obtain credit through normal channels.

SECURITY FOR LOANS

Senator FERGUSON. What would be the security for these loans?

Mr. SILVERMAN. A mortgage on the land or property. It will be administered similarly to our administration of the Puerto Rican hurricane relief where in 1929 the Congress made available a similar fund as the result of the hurricane.

TERMS OF LOANS

Senator FERGUSON. What will be the terms of the loan?

Mr. SILVERMAN. At 3 percent per annum.

Senator FERGUSON. The years?

Mr. SILVERMAN. Short-term loans.

Senator FERGUSON. How will they pay them back?

Mr. SILVERMAN. In the best manner that they are able to pay them back.

Senator FERGUSON. What do you call a short term?

Mr. SILVERMAN. Five to ten-year term, based on our experience in Puerto Rico.

Senator BRIDGES. Does not this law say 20 years?

Why did you ask for 20 years, if you can do it in 5 or 10 years?

Mr. SILVERMAN. We do not know how long it will take.

Senator O'MAHONEY. What is the status of the authority?

Mr. SILVERMAN. Passed the Senate and the House and signed by the President.

Senator O'MAHONEY. Is it law?

Mr. SILVERMAN. Yes.

Senator BRIDGES. Why did you ask for 20 years?

Mr. SILVERMAN. The situation there is considerably better than in Puerto Rico. The standard of living is higher. I think the income of persons generally in Hawaii is better than in Puerto Rico. It took us 20 years to clean up the Puerto Rican loan. We asked for similar period. We do hope to have this completed in less than 10 years.

COST OF ADMINISTRATION OF PROGRAM

Senator FERGUSON. What will it cost per year to administer this?

Mr. SILVERMAN. Not to exceed \$25,000,000 as provided in the act.

Senator BALL. Is that limitation on the administering of the act, in the act?

Mr. SILVERMAN. Yes. The delegate from Hawaii is here and can tell you about that.

**STATEMENT OF HON. JOSEPH R. FARRINGTON, DELEGATE IN
CONGRESS FROM THE TERRITORY OF HAWAII**

RECONSTRUCTION OF CITY OF HILO

Mr. FARRINGTON. This is part of rather an extensive program of legislation and is designed primarily to bring about the reconstruction of the city of Hilo, the second largest city in the Territory that was very severely damaged in the tidal wave of April 1.

The CHAIRMAN. How long ago was that tidal wave?

Mr. FARRINGTON. It took place on April 1 of this year.

HISTORY OF AUTHORIZING LEGISLATION

The CHAIRMAN. Why was this brought here 2 days before the adjournment of Congress?

Mr. FARRINGTON. The Budget Bureau report was not rendered until the last week of June.

The CHAIRMAN. That is quite different from the last week in July, or the first week in August. If an important matter like this ought to come before us, it ought not to on the last day, when we are considering odds and ends. It ought to be passed upon by the Congress.

Senator HAYDEN. When did you introduce a bill and when did the House pass it?

Mr. FARRINGTON. The original bill was introduced the first week in April and then went through complete revision with the visit from the representatives from the Territorial Government. The legislation went back to the Department and did not come up until the latter part of June, and it was passed by the House and then by the Senate. The authorization has been provided and the request here is only for the funds.

Senator HAYDEN. You passed it through the House some little time ago?

Mr. FARRINGTON. That was passed.

Senator HAYDEN. When was it reported to the House?

Mr. FARRINGTON. In July. Not so very long ago.

Mr. SILVERMAN. It passed the House about 2 weeks ago. The reason for the delay was working out the formulas with the Federal Roads and Public Works Agency for the amount of the obligation that would be assumed by the Territorial Government. That was a difficult thing to do.

The CHAIRMAN. All right. Thank you.

(Thereupon, at 2:40 p. m., Wednesday, July 31, 1946, the hearing was concluded on the first supplemental appropriation bill, 1947.)

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DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued August 1, 1946
For actions of July 31, 1946
79th-2nd, No. 152

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HIGHLIGHTS: Senate committees reported bills to: Amend Agricultural Marketing Act in various respects; authorize price support and research on guayule rubber; permit postponement of crop reports until Mon. when due date falls on Sat.; authorize appropriations for farm-labor program; provide for regulation of garbage importation; provide additional appropriations (including OPA, Price Decontrol Board, Economic Council). Sen. O'Mahoney spoke in favor of his wool bill. Senate committee submitted report on cotton industry. House laid on table resolution requesting Secretary of Agriculture to report on rationed or allocated commodities, and Rep. Johnson of Ill. inserted Department's report. Rep. Wolverton said USDA apparently issued "propaganda instead of facts" and that farmers should be represented by experienced men.

SENATE

1. **MARKETING AGREEMENTS.** The Agriculture Committee reported with amendments H. R. 6303, to make various amendments to the Agricultural Marketing Agreement Act (S. Rept. 1915)(p. 10657).
2. **RUBBER.** This Committee reported without amendment H. R. 2347, the Poage bill to authorize price support and research on guayule rubber (S. Rept. 1912)(p. 10657).
3. **CROP REPORTS.** This Committee reported without amendment H. R. 4769, to authorize postponement of crop reports until Monday when the issuance date falls on Saturday (S. Rept. 1913)(p. 10657).
4. **FARM LABOR.** This Committee reported without amendment H. R. 6828, to authorize appropriations to continue the farm-labor supply program until June 30, 1947 (S. Rept. 1914)(p. 10657). An appropriation for this purpose has already been enacted.
5. **GARBAGE IMPORTATION.** This Committee reported with amendment H. R. 7101, to protect American agriculture, horticulture, livestock, and public health by prohibiting the unauthorized importation into, or the depositing in the territorial waters of, the U. S. of garbage derived from products originating outside of continental U. S. (S. Rept. 1916)(p. 10657).
6. **APPROPRIATIONS.** The Committee on Appropriations reported with amendments H. J. Res. 390, the first supplemental appropriation bill for 1947 (S. Rept. 1908)(p. 10657). A summary of the measure will be included in tomorrow's Digest.

7. WOOL. Sen. O'Mahoney, Wyo., spoke in favor of S. 2033, his wool bill, and inserted various letters and statements concerning the matter (pp. 10642-55).
8. RUBBER. Received from OWMR the report of the Interagency Policy Committee on Rubber (p. 10656).
9. RETIREMENT. Received from the Civil Service Commission proposed legislation to amend the Civil Service Retirement Act so as to provide for elimination of the \$1-a-month deduction from employee contributions, and to eliminate interest on refunds covering service of less than 5 years. To Civil Service Committee. (p. 10656.)
10. RESEARCH; MARKETING. Received from the Calif. Assembly a memorial favoring H.R. 6932, the Flanagan-Hope bill (p. 10656).
11. COTTON. The Agriculture and Forestry Committee submitted an interim report on its investigation of the cotton industry (S. Rept. 1918) (pp. 10657-9).
12. TEXTILES. The Interstate Commerce Committee reported on its investigation of the textile industry (S. Rept. 1917) (p. 10657).
13. TERMINAL LEAVE. Both Houses agreed to the conference report on H. R. 4051, to provide for benefits in lieu of enlisted men's terminal leave (pp. 10666-8, 10719-28). This bill will now be sent to the President.
14. HEALTH. Agreed to the conference report on S. 191, to provide for Federal grants for hospitals and health centers (pp. 10666, 10718-9). The conferees were unable to reach an agreement.
15. PATENTS. Agreed to the conference report on H. R. 5223, to extend the time for filing patent applications and for taking action on the applications (pp. 10668-9). This bill will now be sent to the President.

HOUSE

16. RATIONING. Laid on the table H. Res. 721, requesting the Secretary to submit a list of all commodities rationed or allocated under his jurisdiction together with a break-down of the percentages of each allocated for essential purposes and the definition of essentiality as to each commodity (p. 10712). Rep. Johnson, Ill., inserted the Department's report supplying the information requested (pp. 10712-4). The Agriculture Committee reported the resolution adversely earlier in the day (p. 10731).
17. ECONOMY. Rep. Rich, Pa., urged economy in Government spending (p. 10715).
18. PURCHASING. Received from the Navy Department proposed legislation to facilitate procurement of supplies and services by certain agencies of the U. S. To Expenditures in the Executive Departments Committee. (p. 10731.)
19. FLOOD CONTROL. Received from the War Department reports on the preliminary examination and survey of the San Diego (Calif.) and Cumberland (Ky. and Tenn.) Rivers for flood control (p. 10731).
20. SURPLUS PROPERTY. Received from the State Department a report on the disposal of surplus property in foreign areas (p. 10731).
21. RFC AUDIT. The Expenditures in the Executive Departments Committee submitted a report relative to the audit of RFC by GAO (H. Rept. 2713) (p. 10731).

A resolution adopted by the Board of Aldermen of the City of Chelsea, Mass., favoring continuation of the Office of Price Administration; ordered to lie on the table.

A telegram in the nature of a memorial from Frank Berge, of San Francisco, Calif., remonstrating against disclosure of information regarding secret war weapons; to the Committee on Military Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

S. 2493. A bill to authorize the President to appoint Lt. Comdr. Paul A. Smith as United States representative to the Interim Council of the Provisional International Civil Aviation Organization, or as alternate to the United States representative, without affecting his status and perquisites as an officer of the Coast and Geodetic Survey; without amendment.

By Mr. McKELLAR, from the Committee on Appropriations:

H. J. Res. 390. Joint resolution making additional appropriations for the fiscal year 1947, and for other purposes; with amendments (Rept. No. 1908).

By Mr. BARKLEY, from the Committee on the Library:

H. R. 3243. A bill to amend the act entitled "An act to establish a National Archives of the United States Government, and for other purposes"; without amendment.

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

S. 1327. A bill for the relief of Petrol Corp.; with amendments (Rept. No. 1911).

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

H. R. 2347. A bill to provide and insure a dependable supply of domestic natural rubber, and for other purposes; without amendment (Rept. No. 1912);

H. R. 4769. A bill to amend section 5 of the act entitled "An act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton"; without amendment (Rept. No. 1913);

H. R. 6303. A bill to amend the provisions of the Agricultural Adjustment Act relating to marketing agreements and orders; with amendments (Rept. No. 1915);

H. R. 6828. A bill to provide for continuance of the farm labor supply program up to and including June 30, 1947; without amendment (Rept. No. 1914); and

H. R. 7101. A bill to protect American agriculture, horticulture, livestock, and the public health by prohibiting the unauthorized importation into, or the depositing in the territorial waters of, the United States of garbage derived from products originating outside of the continental United States, and for other purposes; with amendments (Rept. No. 1916).

By Mr. MITCHELL, from the Committee on Interstate Commerce:

S. 1639. A bill to amend the Transportation Act of 1940 so as to establish a National Air Policy Board, and for other purposes; with amendments (Rept. No. 1918).

INVESTIGATION OF THE TEXTILE INDUSTRY—REPORT OF A COMMITTEE

Mr. McMAHON. Mr. President, from the Committee on Interstate Commerce, I ask unanimous consent to report an original joint resolution (S. J. Res. 187) to investigate the integration, under common control, of textile and clothing manufacturing plants and the effect on independent manufacturers, and I submit a report (No. 1917) thereon.

The PRESIDENT pro tempore. Without objection, the report will be received, and the joint resolution will be placed on the calendar.

INTERIM REPORT ON INVESTIGATION OF INTERNATIONAL COMMUNICATIONS BY WIRE AND RADIO

Mr. WHEELER. Mr. President, from the Committee on Interstate Commerce, I ask unanimous consent to submit, pursuant to Senate Resolution 24, Seventy-ninth Congress, providing for an investigation of international communications by wire and radio, an interim report, and I submit a report (No. 1907) thereon.

The PRESIDENT pro tempore. Without objection, the report will be received and printed.

INTERIM REPORT ON INVESTIGATION OF PRESENT STATUS OF COTTON INDUSTRY (REPT. NO. 1918)

Mr. THOMAS of Oklahoma. Mr. President, from the Committee on Agriculture and Forestry, I ask unanimous consent to submit, pursuant to Senate Resolution 92, providing for the investigation of matters relative to food production and consumption, an interim report on the production, consumption, and distribution of cotton, and I request that it may be printed and printed in the RECORD.

There being no objection, the report was received, ordered to be printed, and to be printed in the RECORD, as follows:

The committee had before it representatives of the several Federal agencies interested in and handling cotton, as follows:

Paul A. Porter, representing the Office of Price Administration; O. C. Stine and Maurice R. Cooper, representing the Bureau of Agricultural Economics; E. D. White and L. D. Esates, representing the Department of Agriculture; Brig. Gen. W. H. Middleschwertz, representing the Quartermaster General's Office of the War Department, and Col. R. F. Hartman, representing the Civil Affairs Division, War Department; C. W. Nichols, Jerome Stenger and James Evans, representing the State Department; Julian Breen and William B. Mathews, representing the United Nations Relief Administration; Carl N. Gibboney and Ray Hurley, representing the Office of International Trade and Commerce; and Dewitt C. Scheck, representing the United States Commercial Company, which is subsidiary of the Reconstruction Finance Corporation.

The findings made herein are based upon the testimony of the witnesses and the published reports of the Department of Agriculture.

DOMESTIC COTTON SITUATION

The estimated number of acres planted to cotton this year, 1946, is 18,300,000, or some 1,000,000 acres less than was anticipated by the cotton trade.

The foregoing compares with 17,700,000 acres in 1945 and the 1935-44 average of 25,600,000. The 1936-45 average abandonment from natural causes was 1.9 percent.

The 10-year average number of acres planted was 25,500,000. The number of acres planted this year, 1946, is 18,333,333, which is some 7,000,000 acres less than the 10-year average.

The following statements are reprinted from the June-July 1946 report of the Bureau of Agricultural Economics with respect to cotton:

"The July 8 cotton crop report places the 1946 acres of cotton in cultivation July 1,

at 18,300,000 acres. If this acreage should produce at average yields (1941-45), the 1946 crop would amount to about 9,500,000 running bales and supplies of American cotton in the United States for the 1946 crop year would be at the lowest level in 17 years, or about the same as in 1928."

The 10-year average production was 12,553,000 bales of cotton of 500 pounds each. The cotton produced last year, 1945, was 9,015,000 bales, or 3,538,000 bales less than the 10-year average production. If the July 8 estimate is approximately correct then this year's crop will be some 3,053,000 bales less than said 10-year average.

"Mill consumption for the year ending July 31 is now estimated at 9,200,000 million bales and exports are estimated at 3,500,000 bales, which would leave a domestic carry-over of all kinds of cotton on August 1 of 7,600,000 bales."

"If, as estimated, mills consume 9,200,000 bales of cotton this season and exports total 3,500,000, the carry-over of all kinds of cotton in the United States on August 1, 1946, will amount to 7,600,000 bales, about 200,000 of which will be foreign."

"June reports indicated that this year's cotton crop is threatened by boll-weevil damage, especially in central Texas, southern Mississippi, Georgia, and South Carolina. The boll-weevil damage may be more serious because of a shortage of calcium arsenate and because of a heavier than normal infestation. Areas north of those mentioned above have not been very adversely affected by the weevil."

Testimony of the representatives of Agriculture shows that cotton stocks are now only 7,600,000 bales compared to 11,200,000 a year ago. The drop was caused by 3,500,000 bales being exported. The 1946 crop will hardly equal the domestic demand.

It was further revealed that the mills are carrying working stocks of 2,000,000 bales; 742,957 bales have already been allocated for export to UNRRA, Britain, France, Japan, and Germany; and the State Department has already approved loans to China, Finland, Czechoslovakia, Italy, and the Netherlands for 756,000 bales with additional loans to be approved in the near future. This leaves only 1,807,000 bales of tenderable cotton and 2,294,000 bales of undesirable cotton, totaling 4,101,000 bales for export sales, Government and warehouse stocks, to serve all purposes during the coming 12 months.

The Department of Agriculture estimates that the United States will have orders and requisitions for three and one-half to four million bales of cotton for export during the next 12 months; and the Department's spokesman stated before the committee that all cotton stocks of all kinds would probably be cleaned up within a year. If this should happen all cotton now on hand and all cotton that is produced during the present crop year will find a market during the next 12 months. This conclusion is supported by the report "June-July Cotton Situation," as follows:

"World consumption of cotton and rayon may be the equivalent of well over 30,000,000 bales next year. During the 1946 crop year the combined production of cotton and rayon in the world will probably not total over 27,000,000 bales. Present carry-overs of cotton, large as they seem, will fall sharply during the next few years unless the production of cotton and/or rayon is expanded beyond present levels." (From June-July report of Bureau of Agricultural Economics.)

In view of the statistics and possible requisitions for export as presented by the various agencies, this will leave our country with little, if any, cotton on hand a year from now.

Representatives of the Department of Agriculture said a normal mill and working stock should be 4,000,000 bales for safety, there-

fore, it appears that either the mills will have to suffer or the exports curtailed from present estimates, and no future commitments made.

OPA AND COTTON

Mr. Paul A. Porter, Administrator for OPA, admitted that his department does not have authority to maintain ceiling prices on the services of warehousing cotton as such service is prohibited under the act extending the OPA; also the law prohibits imposing ceilings on raw cotton or maintaining margin requirements on cotton futures trading.

The Bureau of Agricultural Economics estimates that the following number of bales of cotton were consumed in the United States:

Year:	Number of bales
1942-43.....	11,000,000
1943-44.....	9,943,000
1944-45.....	9,568,000
1945-46.....	9,000,000 to 9,250,000

The Bureau stated that the estimated 9,500,000 bales to be produced in 1946 would be "probably short" of the consumption from August 1, 1946, to August 1, 1947. The Bureau estimates the carry-over August 1, 1947, will drop 2½ million bales from the carry-over of August 1, 1946, of 7,600,000, leaving 5,100,000 bales of both tenderable and untenderable cotton in all grades and positions. After deducting an estimated 2,000,000 bale mill stocks there would be approximately 3,000,000 bales of cotton on hand for export and for all other purposes between August 1, 1946, and August 1, 1947.

The Production and Marketing Administration estimates that the Commodity Credit Corporation shipped the following bales of cotton for export from August 1, 1945, to August 1, 1946:

	Bales
Germany.....	42,916
France.....	720,469
UNRRA.....	767,676
Great Britain.....	216,028
Italy.....	169,712
Army.....	45,921
Japan.....	478,895
Total.....	2,441,617

On June 30, 1946, the Commodity Credit Corporation owned 433,297 bales; had pooled for producers' accounts 89,078 bales; and had outstanding loans on 397,897 bales.

Since June 30, 1946, Commodity Credit Corporation stocks had been reduced from

433,297 bales to approximately 135,000 bales of owned cotton as producers had withdrawn from 50,000 to 75,000 bales. The 1944 loans were called due July 1, 1946. The 1945 loans will be called due October 1, 1946.

The Commodity Credit Corporation has requisitions from the following claimants as of July 29, 1946:

	Bales
UNRRA.....	175,000
Great Britain.....	4,131
France (lend lease).....	19,637
Japan.....	433,105
Germany.....	111,084
Total.....	742,957

The total 742,957 bales still appear in the estimated 7,600,000-bale carry-over. The Commodity Credit Corporation has yet to acquire 123,231 bales from stocks on hand or from loan cotton to complete its stock to fulfill these requisitions.

There will be additional requests for cotton for shipment to Japan and Germany. Such quantities are unknown at this time. The cotton-textile industry of Japan should consume 125,000 bales per month by January 1, 1947. The mill capacity for Germany should equal 280,000 bales per annum which the United States will supply the bulk.

The Army estimated it shipped 11,000 long tons of cotton to the European theater from December 1944 to March 1945; to Italy, 2,129 long tons through August 1, 1945; to France, 13,331 long tons; to Germany, 102 long tons. Since VJ-day the Army shipped to Italy 2,057 long tons; Germany, 9,319 long tons; British-occupied zone of Germany, 166 long tons, making a total of 50,000 bales since VJ-day.

No additional shipments are contemplated. The Department of State revealed that loans have been made to the following countries for the purpose of buying cotton:

Country	Amount	Bales of cotton
China.....	\$33,000,000	300,000
Finland.....	5,000,000	45,000
Czechoslovakia.....	20,000,000	130,000
Italy.....	25,000,000	200,000
Netherlands.....	10,000,000	80,000
Total.....		756,000

In addition to the 756,000 bales listed above there are 344,000 bales of cotton to be ear-

marked for shipment to foreign countries under credit extended by the State Department, with more credits to follow.

United Nations Relief and Rehabilitation Administration has purchased in the United States and shipped the following cotton:

	Bales
Until August 1945.....	125,000
Until August 1946.....	675,000
Yet to be shipped.....	200,000 to 225,000

COTTON LOAN PROGRAM FOR 1946

The Secretary of Agriculture's announcement on May 28 established premiums and discounts under the 1946 loan program. Loans will be made at 92½ percent of the July 15 parity. On June 15, the price received by farmers for cotton was 112 percent of the parity price for cotton. Announced discounts for the poorer qualities are as much as 250 points wider than those for the 1945 crop.

According to the July 29 report of the Bureau of Agricultural Economics, the parity price on cotton on July 15 was 24.68 cents per pound. This establishes the basic loan rate at 22.82 cents per pound for ⅞" Mid-ling.

COTTON PRICES AFTER WORLD WAR I

In October 1918 cotton sold for 37.25 cents per pound: In December 1919 the price was 36.23 cents and in July 1920 the price was 43.75 cents per pound. Cotton is a world commodity and is based on the value of gold. World War I prices were based on the old gold dollar which was 40 percent heavier, hence, 40 percent more valuable than the gold dollar of today. In 1920 there was less than \$6,200,000,000 of money in circulation while now (July 17), we have \$28,241,000,000 in circulation.

COTTON GROWER RECEIVES FOR 1 HOUR'S WORK PRICE HE RECEIVES FOR 1 POUND OF COTTON

Eminent economists have demonstrated before the Senate Agricultural Committee that cotton growers receive per hour for their labor the amount they receive per pound for the cotton they produced. Cotton is now (July 31, 1946) quoted at some 32 cents per pound, hence, this means that cotton growers may receive only about 32 cents per hour for their work in producing this year's crop. If this price prevails, it is obvious that much of the 1946 crop will not be picked and the existing shortage will be increased.

STATISTICS OF COTTON

Cotton: Acreage, production, value, and foreign trade, United States, 1929-43

Year	Cotton						Cottonseed		Cotton			
	Acreage in cultivation July 1	Acreage harvested	Yield per harvested acre	Production ¹	Season average price per pound received by farmers	Farm value	Production	Farm value	Market price per pound, year beginning August		Foreign trade, year beginning August	
									New York	New Orleans	Domestic exports	Imports
	1,000 acres	1,000 acres	Lb.	1,000 bales	Cents	1,000 dollars	1,000 tons	1,000 dollars	Cents	Cents	1,000 bales	1,000 bales
1929.....	44,448	43,227	164.2	14,674	16.78	1,243,840	6,406	198,164	16.60	16.16	7,035	396
1930.....	43,329	42,444	157.1	13,932	9.46	658,981	6,028	133,054	10.38	10.08	7,133	112
1931.....	39,110	38,704	211.5	17,097	5.66	483,575	7,310	65,678	6.34	6.20	9,193	138
1932.....	36,494	35,891	173.5	13,003	6.52	423,975	5,815	60,202	7.37	7.26	8,895	136
1933.....	40,248	29,383	212.7	13,047	10.17	663,383	5,511	71,166	11.09	10.92	7,964	156
1934.....	27,860	26,764	171.6	9,636	12.36	595,572	4,256	140,574	12.44	12.44	5,037	112
1935.....	28,063	27,509	185.1	10,638	11.09	590,021	4,634	141,527	11.75	11.65	6,267	162
1936.....	30,627	29,755	199.4	12,399	12.36	766,222	5,472	182,230	12.93	12.79	5,689	265
1937.....	34,090	33,623	269.9	18,946	8.41	796,469	7,844	152,974	8.75	8.79	7,976	166
1938.....	25,018	24,248	235.8	11,943	8.60	513,704	4,950	107,874	8.99	8.73	3,512	157
1939.....	24,683	23,805	237.9	11,817	9.09	536,996	4,869	102,933	10.34	10.03	6,501	176
1940.....	24,871	23,861	252.5	12,566	9.89	621,284	5,286	114,817	11.55	11.06	1,174	202
1941.....	23,130	22,236	231.9	10,744	17.03	914,313	4,553	216,961	19.16	18.17	1,162	279
1942.....	23,302	22,602	272.4	12,817	19.04	1,219,716	5,202	237,221	20.99	19.96	1,498	178
1943.....	21,942	21,652	253.5	11,427	19.80	1,129,985	4,688	244,052	21.30	20.44		

¹ Department figures are in 500-pound gross-weight bales for all years. Agricultural census figures for all periods are in running bales.

Bureau of Agricultural Economics. Italic figures are census returns. Production figures conform with census annual ginning enumerations, with allowance for cross-State ginnings.

Source: The Agricultural Statistics of 1944.

FIRST SUPPLEMENTAL APPROPRIATION BILL, 1947

JULY 31 (legislative day, JULY 29), 1946.—Ordered to be printed

Mr. McKELLAR, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. J. Res. 390]

The Committee on Appropriations, to whom was referred the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year ending June 30, 1947, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House.....	\$2, 479, 663, 210. 45
Increase by Senate (net).....	284, 428, 707. 00
Amount of bill as reported to Senate.....	2, 764, 091, 917. 45
Total estimates considered, including \$14,400,000 submitted in Senate documents.....	2, 992, 763, 210. 45
The bill is under the estimates.....	228, 671, 293. 00

The changes recommended by the committee in the amounts of the House bill are as follows:

INCREASES AND LIMITATIONS

Legislative:

Senate:

Legislative Reorganization Act of 1946-----

\$173, 667. 00

The increase recommended by the committee is to provide \$123,667 to meet increased compensation of Senators effective on the day on which the Eightieth Congress convenes, as provided in the Legislative Reorganization Act of 1946, and to provide \$50,000 for the Secretary of the Senate's Office to carry out additional functions placed on that Office by the Legislative Reorganization Act. In recommending this additional appropriation, the committee recommend that the following paragraph be added to the bill:

SENATE

To enable the Secretary of the Senate to make the additional disbursements and to perform the additional duties and functions required of his Office by reason of the enactment of the Legislative Reorganization Act of 1946, fiscal year 1947, \$173,667; and he is hereby authorized to allocate necessary portions of the said sum to the various Senate appropriations and to make transfers between same, including those contained in the Legislative Branch Appropriation Act for the fiscal year 1947 and those provided for in the said Reorganization Act: Provided, however, That the positions and funds now allocated to any Senator or to any standing committee chairman shall be continued until March 31, 1947, unless otherwise directed by the Senator or the chairman.

Administrative assistants to Senators-----

288, 000. 00

The committee recommend that the following paragraph be added to the bill:

ADMINISTRATIVE ASSISTANTS TO SENATORS

For compensation of an administrative assistant to each Senator, to be appointed by him, at a base salary of \$6,000 per year, to assist him in carrying out his departmental business and other duties, fiscal year 1947, \$288,000, or so much thereof as may be necessary, to be available at the beginning of the Eightieth Congress.

Senate policy committees-----

30, 000. 00

The committee recommend that the following paragraph be added to the bill:

SENATE POLICY COMMITTEES

For maintenance of a staff for a majority policy committee and a minority policy committee in the Senate, consisting of seven members each, for the formulation of over-all legislative policy of the respective parties, the members of such staffs to assist in study, analysis, and research on problems involved in policy determinations, and to be appointed, and their compensation fixed, by the policy committee concerned, at rates not to exceed \$8,000 per annum in any case, \$15,000 for each such committee, in all, fiscal year 1947, \$30,000, to be available at the beginning of the Eightieth Congress.

INCREASES AND LIMITATIONS—Continued

Legislative—Continued

Senate—Continued

Contingent Expenses of the Senate:

Automobiles-----	\$13, 000. 00
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The Committee recommend that the following paragraph be added to the bill:

For purchase, exchange, driving, maintenance, and operation of two automobiles, one for the Majority Leader of the Senate and one for the Minority Leader of the Senate, fiscal year 1947, \$13,000.

Expenses of Inquiries and Investigations----	150, 000. 00
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Total, Contingent Expenses of the Senate--	163, 000. 00
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Office of Sergeant at Arms and Doorkeeper:

Press Gallery-----	540. 00
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The committee recommend that the following paragraph be added to the bill:

OFFICE OF SERGEANT AT ARMS AND
DOORKEEPER

For an amount necessary to increase salaries in the Senate Press Gallery, beginning July 1, 1946, as follows: Superintendent from \$3,660 to \$3,820; one assistant superintendent from \$3,000 to \$3,200; and one assistant superintendent from \$1,920 to \$2,100; in all, fiscal year 1947, \$540; and the Legislative Branch Appropriation Act for the fiscal year 1947 hereby is amended accordingly.

Total, Senate-----	655, 207. 00
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House of Representatives:

Contingent expenses, folding documents-----	15, 000. 00
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Joint Committee on Printing:

Biographical Congressional Directory-----	50, 000. 00
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Joint Committee on the Economic Report-----	50, 000. 00
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This amount is to provide for salaries and expenses of the Joint Committee on the Economic Report created by sec. 5 of Public Law No. 304, 79th Cong., entitled "An act to declare a national policy on employment, production, and purchasing power, and for other purposes," approved Feb. 20, 1946.

Total, legislative-----	770, 207. 00
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Federal Security Agency:

Grants to States for maternal and child health services--	9, 180, 000. 00
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Grants to States for services for crippled children-----	6, 130, 000. 00
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Grants to States for child-welfare services-----	3, 490, 000. 00
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Salaries and expenses, maternal and child welfare-----	925, 500. 00
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The 4 preceding items are to care for increases provided by H. R. 7037 and are available only in the event the bill H. R. 7037 is enacted into law.

INCREASES AND LIMITATIONS—Continued

Federal Security Agency—Continued

Public Health Service:	
Mental health activities.....	\$4, 358, 000. 00
National Institute of Mental Health:	
Aquisition of site and preparation of draw- ings and specifications.....	850, 000. 00
The 2 preceeding items of appropriation are to earry out provisions of Publie Law 487, the National Mental Health Act.	
Total, Publie Health Service.....	5, 208, 000. 00
Total, Federal Security Agency....	24, 933, 500. 00

Federal Works Agency:

Public Roads Administration:	
War and emergency damage, Territory of Hawaii..	8, 000, 000. 00
Bureau of Community Facilities:	
Emergency relief for the Territory of Hawaii.....	1, 300, 000. 00
The 2 preceeding appropriations are for the purpose of carrying out the provisions of sees. 1 and 2 of the act entitled "An act to provide emergency relief for the vietims of the seismic waves which struek the Territory of Hawaii, and for other purposes."	
Total, Federal Works Agency.....	9, 300, 000. 00

Labor Department:

Bureau of Labor Statistics:	
Salaries and expenses:	
For the emergency collection of prices of food commodities, 250 weekly collections of from 16 to 25 items, to be available for obligation until January 31, 1947.....	25, 000. 00

Treasury Department:

Strategie and critical materials (act of July 23, 1946)...	250, 000, 000. 00
The committee recommend that the following provision be added to the bill:	

TREASURY DEPARTMENT

STRATEGIC AND CRITICAL MATERIALS
(ACT JULY 23, 1946)

For all expenses necessary for the procurement, transportation, maintenance, rotation, storage, and refining or processing of strategic and critical materials for national defense purposes, as authorized by the Strategic and Critical Materials Stockpiling Act (Public Law 520, 79th Congress), including personal services and rental and maintenance of storage space in the District of Columbia and elsewhere, \$250,000,000: Provided, That any funds received as proceeds from sale or other disposition of materials on account of rotation of stocks of strategic and critical materials shall be deposited to the credit, and be available for expenditure for the purposes, of this appropriation.

INCREASES AND LIMITATIONS—Continued

Treasury Department—Continued

■ This item was submitted in a supplemental Budget estimate contained in H. Doc. 748, and the funds recommended are for the purpose of carrying into effect the Strategic and Critical Materials Stockpiling Act, approved July 23, 1946. The amount proposed will provide an initial increment of strategic and critical materials which are necessary to supply the industrial, military, and naval needs of the country for common defense.

Total increase_____	\$285, 028, 707. 00
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DECREASES

Commerce Department:

Bureau of Foreign and Domestic Commerce:

Export control_____	600, 000. 00
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Total increase_____	285, 028, 707. 00
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Total decrease_____	600, 000. 00
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Net increase_____	284, 428, 707. 00
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Amount of bill as reported to the Senate_____	2, 764, 091, 917. 45
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Calendar No. 1962

79TH CONGRESS
2^D SESSION

H. J. RES. 390

[Report No. 1908]

IN THE SENATE OF THE UNITED STATES

JULY 30 (legislative day, JULY 29), 1946

Read twice and referred to the Committee on Appropriations

JULY 31 (legislative day, JULY 29), 1946

Reported by Mr. McKELLAR, with amendments

[Omit the part struck through and insert the part printed in italic]

JOINT RESOLUTION

Making additional appropriations for the fiscal year 1947, and
for other purposes.

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to provide
5 additional appropriations for the fiscal year ending June 30,
6 1947, and for other purposes, namely:

7 TITLE I—GENERAL APPROPRIATIONS

8 LEGISLATIVE

9 SENATE

10 *To enable the Secretary of the Senate to make the addi-*
11 *tional disbursements and to perform the additional duties and*

1 functions required of his office by reason of the enactment of
 2 the Legislative Reorganization Act of 1946, fiscal year 1947,
 3 \$173,667; and he is hereby authorized to allocate necessary
 4 portions of the said sum to the various Senate appropriations
 5 and to make transfers between same, including those con-
 6 tained in the Legislative Branch Appropriation Act for the
 7 fiscal year 1947 and those provided for in the said Reor-
 8 ganization Act: Provided, however, That the positions and
 9 funds now allocated to any Senator or to any standing com-
 10 mittee chairman shall be continued until March 31, 1947,
 11 unless otherwise directed by the Senator or the chairman.

12 ADMINISTRATIVE ASSISTANTS TO SENATORS

13 For compensation of an administrative assistant to each
 14 Senator, to be appointed by him, at a base salary of \$6,000
 15 per year, to assist him in carrying out his departmental
 16 business and other duties, fiscal year 1947, \$288,000, or so
 17 much thereof as may be necessary, to be available at the
 18 beginning of the Eightieth Congress.

19 SENATE POLICY COMMITTEES

20 For maintenance of a staff for a majority policy commit-
 21 tee and a minority policy committee in the Senate, consisting
 22 of seven members each, for the formulation of over-all legisla-
 23 tive policy of the respective parties, the members of such staffs
 24 to assist in study, analysis, and research on problems involved
 25 in policy determinations, and to be appointed, and their

1 compensation fixed, by the policy committee concerned, at
 2 rates not to exceed \$8,000 per annum in any case, \$15,000
 3 for each such committee, in all, fiscal year 1947, \$30,000,
 4 to be available at the beginning of the Eightieth Congress.

5 CONTINGENT EXPENSES OF THE SENATE

6 For purchase, exchange, driving, maintenance, and
 7 operation of two automobiles, one for the majority leader
 8 of the Senate and one for the minority leader of the Senate,
 9 fiscal year 1947, \$13,000.

10 For an additional amount for expenses of inquiries and
 11 investigations ordered by the Senate, including compensa-
 12 tion to stenographers of committees, at such rate as may be
 13 fixed by the Committee to Audit and Control the Contingent
 14 Expenses of the Senate, but not exceeding 25 cents per
 15 hundred words, fiscal year 1947, \$150,000: Provided, That
 16 no part of this appropriation shall be expended for per diem
 17 and subsistence expenses except in accordance with the pro-
 18 visions of the Subsistence Expense Act of 1926, approved
 19 June 3, 1926, as amended.

20 OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

21 For an amount necessary to increase salaries in the
 22 Senate Press Gallery, beginning July 1, 1946, as follows:
 23 Superintendent from \$3,660 to \$3,820; one assistant super-
 24 intendent from \$3,000 to \$3,200; and one assistant super-
 25 intendent from \$1,920 to \$2,100; in all, fiscal year 1947,

1 *\$540; and the Legislative Branch Appropriation Act for the*
 2 *fiscal year 1947 hereby is amended accordingly.*

3 HOUSE OF REPRESENTATIVES

4 Salaries and expenses, Office of the Clerk: Subject to
 5 the approval of the chairman of the Committee on Accounts
 6 (Committee on House Administration, if and when elected),
 7 the Clerk of the House of Representatives is authorized,
 8 until February 15, 1947, to incur such expenses for personal
 9 services and for supplies and materials as may be neces-
 10 sary to enable him to discharge the additional duties imposed
 11 upon him by S. 2177, Seventy-ninth Congress, and to
 12 charge such expenses to the contingent fund of the House:
 13 *Provided*, That this authority is subject to the enactment
 14 into law of such S. 2177.

15 *Contingent expenses, folding documents: For an addi-*
 16 *tional amount for folding speeches and pamphlets, at a rate*
 17 *not exceeding \$1 per thousand or for the employment of*
 18 *personnel at a rate not to exceed \$5.20 per day per person,*
 19 *fiscal year 1947, \$15,000.*

20 JOINT COMMITTEE ON PRINTING

21 *Biographical Congressional Directory: To enable the*
 22 *Secretary of the Senate to pay, upon vouchers approved by*
 23 *the chairman or vice chairman of the Joint Committee on*
 24 *Printing, for compiling and preparing a revised edition of*
 25 *the Biographical Directory of the American Congress*

1 (1774-1948) as provided for in House Concurrent Reso-
2 lution Numbered 163, adopted July 26, 1946, \$50,000;
3 and said sum or any part thereof, in the discretion of the
4 chairman or vice chairman of the Joint Committee on Print-
5 ing, may be paid as additional compensation to any employee
6 of the United States, and shall continue to be available until
7 expended.

8 JOINT COMMITTEE ON THE ECONOMIC REPORT

9 For salaries and expenses of the Joint Committee on
10 the Economic Report created by section 5 of Public Law
11 Numbered 304, Seventy-ninth Congress, entitled "An Act
12 to declare a national policy on employment, production, and
13 purchasing power, and for other purposes", approved
14 February 20, 1946, fiscal year 1947, \$50,000.

15 EXECUTIVE OFFICE OF THE PRESIDENT

16 ARMED FORCES LEAVE PAYMENTS

17 Payments under the Armed Forces Leave Act of 1946:
18 For all expenses necessary to enable the President through
19 the Treasury, War, and Navy Departments to carry out the
20 provisions of the Armed Forces Leave Act of 1946, includ-
21 ing cash payments to members and former members of the
22 armed forces, payments to the Treasurer of the United
23 States of amounts representing the face value of bonds issued
24 to such servicemen, and administrative expenses until June
25 30, 1948, including printing and binding, penalty mail costs,

1 and personal services in the District of Columbia and else-
2 where without regard to section 14 (a) of the Federal
3 Employees Pay Act of 1946, \$2,431,708,000, to be avail-
4 able (except as to administrative expenses) until expended
5 and for allocation to said departments by transfer to and
6 merger with appropriations thereof or otherwise, in such
7 amounts respectively as may be determined by the Director
8 of the Bureau of the Budget.

ATOMIC ENERGY

Such part as the President may determine of the unex-
pended balances of appropriations, allocations, or other
funds available for expenditure in connection with the Man-
hattan Engineer District are hereby transferred to and shall
be available for allocation by the President to such agencies
as he may determine for expenditure for the purpose of carry-
ing out provisions of the Atomic Energy Act of 1946: *Pro-*
vided, That such appropriations shall be available for per-
sonal services in the District of Columbia and elsewhere
without regard to section 14 (a) of the Federal Employees
Pay Act of 1946.

COUNCIL OF ECONOMIC ADVISERS

22 Salaries and expenses: For all necessary expenses, fiscal
23 year 1947, of the Council of Economic Advisers in carrying
24 out its functions under the Employment Act of 1946 (Pub-
25 lic Law 304), including personal services in the District

1 of Columbia and elsewhere; temporary employment of per-
2 sons or organizations without regard to civil-service and
3 classification laws; acceptance and utilization of voluntary
4 and uncompensated services; lawbooks, books of reference,
5 newspapers, and periodicals; printing and binding; purchase
6 of one, and hire, maintenance, operation, and repair of
7 passenger automobiles; travel expenses, including expenses
8 of attendance at meetings or organizations concerned with
9 the work of this agency; and not to exceed \$8,000 for
10 deposit in the general fund of the Treasury for cost of
11 penalty mail as required by section 2 of the Act of June
12 28, 1944 (Public Law 364) ; \$275,000.

13 OFFICE OF PRICE ADMINISTRATION

14 Salaries and expenses: For an additional amount, fiscal
15 year 1947, for "Salaries and expenses", including the ob-
16 jects and subject to the conditions specified under this head
17 in the Third Deficiency Appropriation Act, 1946,
18 \$26,000,000.

19 OVERTIME, LEAVE, AND HOLIDAY COMPENSATION

20 Overtime, leave, and holiday compensation: To enable
21 the President through the departments and agencies con-
22 cerned to pay claims for overtime, leave, and holiday
23 compensation at night rates as certified under the provisions
24 of H. R. 6532, Seventy-ninth Congress, and subject to the
25 enactment of such bill, \$20,000,000, to be available until

1 expended for allocation to the departments and agencies
2 concerned in such amounts respectively as may be deter-
3 mined by the Director of the Bureau of the Budget.

4 INDEPENDENT OFFICES

5 FEDERAL SECURITY AGENCY

6 *Grants to States for maternal and child health services:*
7 *For an additional amount, fiscal year 1947, for grants to*
8 *States for maternal and child health services, including the*
9 *objects specified under this head in the Department of Labor*
10 *Appropriation Act, 1947, \$9,180,000.*

11 *Grants to States for services for crippled children:*
12 *For an additional amount, fiscal year 1947, for grants to*
13 *States for services for crippled children, including the objects*
14 *specified under this head in the Department of Labor Ap-*
15 *propriation Act, 1947, \$6,130,000.*

16 *Grants to States for child-welfare services: For an*
17 *additional amount, fiscal year 1947, for grants to States*
18 *for child-welfare services, including the objects specified*
19 *under this head in the Department of Labor Appropriation*
20 *Act, 1947, \$3,490,000.*

21 *Salaries and expenses, maternal and child welfare: For*
22 *an additional amount, fiscal year 1947, for salaries and*
23 *expenses, maternal and child welfare, including the objects*
24 *specified under this head in the Department of Labor Appo-*
25 *riation Act, 1947, and including also travel, printing and*

1 binding, penalty mail, contingent and other expenses,
2 \$925,500.

3 *The appropriations contained in the four preceding para-*
4 *graphs shall not be available for obligation until the enact-*
5 *ment into law of H. R. 7037, Seventy-ninth Congress.*

6 PUBLIC HEALTH SERVICE

7 *Mental health activities: For carrying out the provisions*
8 *of the National Mental Health Act, except section 11, in-*
9 *cluding travel; printing and binding; stationery; and the*
10 *objects specified in the paragraph immediately following the*
11 *heading "Public Health Service" in the Federal Security*
12 *Agency Appropriation Act, 1947, including the purchase,*
13 *maintenance, repair, and operation of three passenger-carry-*
14 *ing automobiles; and an additional \$2,380,680 for carrying*
15 *out the provisions of section 314 (c) of the Public Health*
16 *Service Act with respect to mental health, fiscal year 1947,*
17 *\$4,358,000, of which not to exceed \$109,400 may be trans-*
18 *ferred without limitation account to the appropriation "Pay,*
19 *and so forth, Commissioned Officers, Public Health Service":*
20 *Provided, That there is authorized to be transferred to this*
21 *appropriation such sums as the Surgeon General may deter-*
22 *mine to be available in other appropriations of the Public-*
23 *Health Service for mental health activities: Provided further,*
24 *That determinations of the Director of the Bureau of the*

1 *Budget of employment authorized under this appropriation*
 2 *shall not be subject to the aggregate numerical limitations set*
 3 *forth in section 607, subsection (g) (1) (A) of the Federal*
 4 *Employees Pay Act of 1945, as amended.*

5 *National Institute of Mental Health: For the acquisition*
 6 *of site or sites, the preparation of drawings and specifications,*
 7 *and the performance of other work for the accomplishment*
 8 *thereof, for the National Institute of Mental Health, as*
 9 *authorized by section 11, Public Law 487, Seventy-ninth*
 10 *Congress, to remain available until expended, \$850,000:*
 11 *Provided, That this amount may be transferred, upon the*
 12 *request of the Federal Security Administrator, to the Public*
 13 *Buildings Administration, Federal Works Agency.*

14 ~~FEDERAL WORKS AGENCY—PUBLIC ROADS~~

15 ~~ADMINISTRATION~~

16 *FEDERAL WORKS AGENCY*

17 *PUBLIC ROADS ADMINISTRATION*

18 *Damage claims: For the payment of claims for damage*
 19 *to roads and highways under the Defense Highway Act*
 20 *of 1941, as amended (23 U. S. C. 110), as follows: "The*
 21 *Commissioner of Public Roads is authorized to reimburse*
 22 *the several States for the necessary rehabilitation or repair*
 23 *of roads and highways of States or their subdivisions sub-*
 24 *stantially damaged by the Army or the Navy, or both, by*
 25 *any other agency of the Government, and so forth", as fully*

1 set forth in House Document Numbered 727, Seventy-ninth
2 Congress, \$21,012.64.

3 *War and emergency damage, Territory of Hawaii: For*
4 *carrying out the provisions of section 2 of the Act entitled*
5 *“An Act to provide emergency relief for the victims of the*
6 *seismic waves which struck the Territory of Hawaii, and*
7 *for other purposes” (H. R. 6918, Seventy-ninth Congress),*
8 *to be expended by the Commissioner of Public Roads in*
9 *accordance with provisions applicable to its customary oper-*
10 *ations in the construction, rehabilitation, and repair of roads,*
11 *highways, and bridges, by contract or otherwise, and neces-*
12 *sary expenses incident thereto without regard, outside con-*
13 *tinental United States, to section 3709 of the Revised Statutes,*
14 *including personal services in the District of Columbia or*
15 *elsewhere and employment of personnel outside the con-*
16 *tinental United States without regard to civil-service and*
17 *classification laws and section 14 (a) of the Federal Em-*
18 *ployees Pay Act of 1946, and the purchase of passenger*
19 *motor vehicles, \$8,000,000, to remain available until ex-*
20 *pended.*

21 BUREAU OF COMMUNITY FACILITIES

22 *Emergency relief for the Territory of Hawaii: For*
23 *carrying out the provisions of section 1 of the Act entitled*
24 *“An Act to provide emergency relief for the victims of the*
25 *seismic waves which struck the Territory of Hawaii, and*

1 *for other purposes'' (H. R. 6918, Seventy-ninth Congress),*
2 *\$1,300,000, to remain available until expended, of which*
3 *amount not to exceed \$65,000 shall be available for adminis-*
4 *trative expenses of the Bureau of Community Facilities,*
5 *including travel, the purchase of two passenger motor vehicles,*
6 *and personal services in the District of Columbia and else-*
7 *where without regard to section 14 (a) of the Federal*
8 *Employees Pay Act of 1946.*

9

PRICE DECONTROL BOARD

10 Salaries and expenses: For all necessary expenses, fiscal
11 year 1947, of the Price Decontrol Board in carrying out
12 its functions under the Price Control Extension Act of
13 1946 and all other powers and duties and functions which
14 may be lawfully vested in the Price Decontrol Board, in-
15 cluding personal services in the District of Columbia and
16 elsewhere; temporary employment of persons or organiza-
17 tions by contract or otherwise without regard to civil-service
18 and classification laws; acceptance and utilization of voluntary
19 and uncompensated services; lawbooks, books of reference,
20 newspapers and periodicals; printing and binding; purchase
21 of one, and hire, maintenance, operation, and repair of pas-
22 senger automobiles; travel expenses, including expenses of
23 attendance at meetings or organizations concerned with the
24 work of the Board; and not to exceed \$5,000 for deposit in
25 the general fund of the Treasury for cost of penalty mail as

1 required by section 2 of the Act of June 28, 1944 (Public
2 Law 364) ; \$250,000.

3 DEPARTMENT OF COMMERCE

4 BUREAU OF FOREIGN AND DOMESTIC COMMERCE

5 Export control: For an additional amount, fiscal year
6 1947, for "Export control", including the objects specified
7 under this head in the Department of Commerce Approp-
8 priation Act, 1947, \$600,000.

9 DEPARTMENT OF LABOR

10 BUREAU OF LABOR STATISTICS

11 *Salaries and expenses: For an additional amount, fiscal*
12 *year 1947, for "Salaries and expenses", including the*
13 *objects specified under this head in the Department of Labor*
14 *Appropriation Act, 1947, \$25,000, to be available for*
15 *obligation until January 31, 1947.*

16 DEPARTMENT OF STATE

17 INTERNATIONAL OBLIGATIONS

18 Philippine rehabilitation: The third proviso of the appro-
19 priation under this head contained in the Third Deficiency
20 Appropriation Act, 1946, hereby is corrected to read as
21 follows: "*Provided further, That the Secretary of State, or*
22 *such official as he may designate, is authorized to transfer*
23 *from any of the foregoing amounts to any department or*
24 *independent establishment of the Government for participa-*
25 *tion in the foregoing programs, sums for expenditure by such*

1 department or establishment for the purposes hereof, and
2 sums so transferred shall be available for expenditure in
3 accordance with the provisions hereof and, to the extent de-
4 termined by the Secretary of State, in accordance with the
5 law governing expenditures of the department or establish-
6 ment to which transferred: *Provided further*, That transfers
7 of funds to participating agencies for the programs set forth
8 in sections 302 to 305 of the Act shall be approved by the
9 President prior to such transfers:”.

10 *TREASURY DEPARTMENT*

11 *STRATEGIC AND CRITICAL MATERIALS (ACT OF*

12 *JULY 23, 1946)*

13 *For all expenses necessary for the procurement, transpor-*
14 *tation, maintenance, rotation, storage, and refining or process-*
15 *ing of strategic and critical materials for national defense*
16 *purposes, as authorized by the Strategic and Critical Mate-*
17 *rials Stockpiling Act (Public Law 520, Seventy-ninth Con-*
18 *gress), including personal services and rental and maintenance*
19 *of storage space in the District of Columbia and elsewhere,*
20 *\$250,000,000: Provided, That any funds received as pro-*
21 *ceeds from sale or other disposition of materials on account*
22 *of rotation of stocks of strategic and critical materials shall*
23 *be deposited to the credit, and be available for expenditure*
24 *for the purposes, of this appropriation.*

WAR DEPARTMENT

MILITARY ACTIVITIES

Military assistance, Philippines: Any or all of the appropriations of the Military Establishment for the fiscal year 1947 shall be available, in a total amount of not to exceed \$19,750,000, for all expenses necessary to enable the President through the War Department to carry out the provisions of the Republic of the Philippines Military Assistance Act.

Atomic Service: The amount named in the last proviso of the appropriation "Atomic Service", contained in the Military Appropriation Act, 1947, may be increased to such an amount as the President may approve, which shall be determined and communicated to the chairmen of the Committees on Appropriations of the Senate and House of Representatives, respectively, within thirty days after the enactment of this Act.

CIVIL FUNCTIONS—SIGNAL CORPS

Alaska Communication System: For an additional amount, fiscal year 1947, for "Alaska Communication System", including the objects specified under this head in the War Department Civil Appropriation Act, 1947, \$200,000, to remain available until the close of the fiscal year 1948.

1 TITLE II—JUDGMENTS AND AUTHORIZED
2 CLAIMS

3 PROPERTY DAMAGE CLAIMS

4 SEC. 201. For the payment of claims for damages to
5 or losses of privately owned property adjusted and deter-
6 mined by the following respective departments and inde-
7 pendent offices, under the provisions of the Act entitled
8 “An Act to provide a method for the settlement of claims
9 arising against the Government of the United States in
10 the sum not exceeding \$1,000 in any one case”, approved
11 December 28, 1922 (31 U. S. C. 215), as fully set
12 forth in House Document Numbered 725, Seventy-ninth
13 Congress, as follows:

14 Federal Works Agency, \$136.15;
15 Department of Commerce, \$71.86;
16 Department of the Interior, \$905.26;
17 Treasury Department, \$312.30;
18 In all, \$1,425.57.

19 JUDGMENTS, UNITED STATES COURTS

20 SEC. 202. For the payment of final judgment, which
21 has been rendered under the provisions of the Act of March
22 3, 1887, entitled “An Act to provide for the bringing of
23 suits against the Government of the United States”, as
24 amended by section 297 of the Act of March 3, 1911 (28
25 U. S. C. 761), and which has been certified to the Seventy-

1 ninth Congress in House Document Numbered 719, under
2 the following agency:

3 War Department, \$218.92, together with such addi-
4 tional sum as may be necessary to pay interest as and
5 where specified in the judgment, and such judgment shall
6 not be paid until the right of appeal has expired.

7 JUDGMENTS, UNITED STATES COURT OF CLAIMS

8 SEC. 203. (a) For payment of judgments rendered
9 by the Court of Claims and reported to the Seventy-ninth
10 Congress in House Document Numbered 726, under the fol-
11 lowing agencies, namely:

12 Federal Works Agency, \$49,000;

13 National Housing Agency:

14 Federal Public Housing Authority, \$8,829.05;

15 Treasury Department, \$12,909.42;

16 In all, \$70,738.47, together with such additional
17 amount as may be necessary to pay interest as and where
18 specified in the judgments;

19 (b) None of the judgments contained under this cap-
20 tion shall be paid until the right of appeal shall have ex-
21 pired except such as have become final and conclusive
22 against the United States by failure of the parties to appeal
23 or otherwise.

24 Payment of interest wherever provided for judgments

1 contained in this Act shall not in any case continue for more
2 than thirty days after the date of approval of this Act.

3 AUDITED CLAIMS

4 SEC. 204. For the payment of claims certified to be due
5 by the General Accounting Office under appropriations the
6 balances of which have been carried to the surplus fund
7 under the provisions of section 5 of the Act of June 20,
8 1874 (31 U. S. C. 713), and under appropriations hereto-
9 fore treated as permanent, being for the service of the fiscal
10 year 1944 and prior years, unless otherwise stated, and
11 which have been certified to Congress under section 2 of
12 the Act of July 7, 1884 (5 U. S. C. 266), as fully set forth
13 in House Document Numbered 728, Seventy-ninth Con-
14 gress, there is appropriated the sum of \$504,495.10, to-
15 gether with such additional sum due to increases in rates of
16 exchange as may be necessary to pay claims in the foreign
17 currency and interest as specified in certain of the settle-
18 ments of the General Accounting Office, to be disbursed
19 and accounted for as a single fund, and \$1,728.43 payable
20 from postal revenues; in all, \$506,223.53.

21 SEC. 205. For the payment of claims allowed by the
22 General Accounting Office pursuant to the Act entitled "An
23 Act granting travel pay and other allowances to certain
24 soldiers of the War with Spain and the Philippine Insur-
25 rection who were discharged in the Philippine Islands",

1 approved December 5, 1945 (Public Act Numbered 247,
2 Seventy-ninth Congress), and which have been certified to
3 the Seventy-ninth Congress under section 2 of the Act of
4 July 7, 1884 (5 U. S. C. 266), under the War Department
5 in House Document Numbered 724, \$30,591.32.

6 TITLE III—GENERAL PROVISIONS

7 SEC. 301. No part of any appropriation contained in
8 this Act shall be used to pay the salary or wages of any
9 person who engages in a strike against the Government of
10 the United States or who is a member of an organization of
11 Government employees that asserts the right to strike against
12 the Government of the United States, or who advocates, or
13 who is a member of an organization that advocates, the
14 overthrow of the Government of the United States by force
15 or violence: *Provided*, That for the purposes hereof an
16 affidavit shall be considered prima facie evidence that the
17 person making the affidavit has not contrary to the provisions
18 of this section engaged in a strike against the Government of
19 the United States, is not a member of an organization of
20 Government employees that asserts the right to strike against
21 the Government of the United States, or that such person
22 does not advocate, and is not a member of an organization
23 that advocates, the overthrow of the Government of the
24 United States by force or violence: *Provided further*, That
25 any person who engages in a strike against the Government

1 of the United States or who is a member of an organization
2 of Government employees that asserts the right to strike
3 against the Government of the United States, or who advo-
4 cates, or who is a member of an organization that advocates,
5 the overthrow of the Government of the United States by
6 force or violence and accepts employment the salary or wages
7 for which are paid from any appropriation in this Act shall
8 be guilty of a felony and, upon conviction, shall be fined
9 not more than \$1,000 or imprisoned for not more than one
10 year, or both: *Provided further*, That the above penalty
11 clause shall be in addition to, and not in substitution for,
12 any other provisions of existing law.

13 SEC. 302. This Act may be cited as the "First Supple-
14 mental Appropriation Act, 1947".

Passed the House of Representatives July 30, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

79TH CONGRESS
2^D SESSION

H. J. RES. 390

[Report No. 1908]

JOINT RESOLUTION

Making additional appropriations for the fiscal
year 1947, and for other purposes.

JULY 30 (legislative day, JULY 29), 1946

Read twice and referred to the Committee on
Appropriations

JULY 31 (legislative day, JULY 29), 1946

Reported with amendments

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued August 2, 1946
For actions of August 1, 1946
79th-2nd, No. 153

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HIGHLIGHTS: Senate passed, and conferees reported, supplemental appropriation bill which includes items for OPA, Economic Advisers, Price Decontrol Board, stockpiling, etc. Senate received nomination of Clayton to be Under Secretary of State for Economic Affairs. Rep. Ellsworth summarized activities of Republican Congressional Food Study Committee.

SENATE

1. FIRST SUPPLEMENTAL APPROPRIATION BILL, 1947. Passed with amendments this measure, H. J. Res. 390 (pp. 10736-51). Conferees were appointed in both Houses, and later in the day the conference report was submitted to the House (p. 10786).

As reported from conference, the bill includes the following items: Terminal leave for the armed forces, \$2,431,708,000; Council of Economic Advisers, \$275,000; OPA, \$26,000,000 additional; overtime, leave, and holiday pay pursuant to H. R. 6532, \$20,000,000, to be allocated to the departments concerned in amounts determined by the Budget Bureau; Price Decontrol Board, \$250,000; export control (Commerce Department), \$400,000; judgments and claims, various amounts; provision earmarking certain War Department funds for allocation by the President to such agencies as he may determine for carrying out the Atomic Energy Act; stockpiling of strategic and critical materials by Treasury Procurement, \$100,000,000; Joint Committee on the Economic Report, \$25,000; and emergency collection of food prices by the Bureau of Labor Statistics, \$25,000.

2. EDUCATION. Sen. Hill, Ala., spoke in favor of S. 181, the Federal-aid-to-education bill (pp. 10758-60).

3. EXPENDITURES. Sen. McKellar, Tenn., inserted a table showing total U. S. Government annual expenditures in comparison with those of other countries (pp. 10751-2).

4. NOMINATION. Received the nomination of William L. Clayton, to be Under Secretary of State for Economic Affairs, and the Foreign Relations Committee reported the nomination (p. 10768).

4a. HEALTH. Concurred in the House amendments to S. 191, to provide for Federal

-2-

grants for hospitals and health centers (July 31) (p. 10666). This bill will now be sent to the President.

5. ECONOMIC REPORT. It is understood that Sen. O'Mahoney, Wyo., has been elected Chairman of the Joint Committee on the Economic Report.

HOUSE

6. SOCIAL SECURITY. Received the conference report on H. R. 7037, to amend the Social Security Act (pp. 10783-5).
7. VETERANS. Passed without amendment S. 2477, to authorize the Veterans' Administration to reimburse State and local agencies for expenses incurred in services to veterans, to limit the amount of allowance plus compensation which veterans may receive for on-the-job training, and to prescribe further regulations for such training (pp. 10799-800). This bill will now be sent to the President.
8. DAIRY INDUSTRY. Passed without amendment S. 2479, to redefine "pasteurized" for regulations within D. C. on the sale of milk, cream, and ice cream (pp. 10793-4). This bill will now be sent to the President.
9. RFC AUDIT. Rep. Jensen, Iowa, inserted the report of the Expenditures in the Executive Departments Committee upholding the findings of the GAO in its audit of RFC (p. 10801).
10. PERSONNEL. Received from the Budget Bureau the fourth quarterly report on personnel ceilings, for the quarter ending June 30, 1946 (p. 10811).
Rep. Rees, Kans., urged the removal from Government rolls of employees who are not loyal to the Government and stated that he favored a complete investigation of the matter by the Civil Service Committee (pp. 10808-9).
11. LIMITATIONS STATUTE. The Rules Committee reported a resolution for the consideration of the Senate amendments to H. R. 2788, to limit to three years the time during which action may be brought for recovery of wages, penalties, or other damages pursuant to any U. S. law and for which a specific statute of limitations has not been provided (p. 10811, 10786).
12. SMALL BUSINESS. The Small Business Committee submitted its second interim report (H. Rept. 2723) (p. 10811).
13. PRICES. Rep. Johnson, Okla., criticized broom manufacturers for the prices they are paying farmers for broomcorn (p. 10798).
14. SURPLUS PROPERTY. Rep. Voorhis, Calif., urged the appointment of an experienced businessman to head War Assets Administration (pp. 10802-3).
15. RESEARCH-MARKETING. Received a Calif. Legislature memorial favoring H. R. 6932, the Flannagan-Hope research-marketing bill (p. 10811).
16. ADMINISTRATIVE EXPENSES. The provision of H.R. 6533 authorizing payment of cash or honor awards, within limitations, to employees and others for suggestions or inventions resulting in improvement or economy in Government operation was erroneously listed in Digest 151 as being effective only "when such awards are authorized in an appropriation or other act." No authorization other than that contained in H.R. 6533 is required for the awards and "payments may be made from the appropriation for the activity primarily benefiting or may be distributed among appropriations for activities benefiting as the head of the department determines."

titled "Our Common Problems and Our Common Duty," delivered by Most Reverend Francis J. Haas, Bishop of Grand Rapids, before the fifty-seventh annual convention of the Michigan State Federation of Labor, Grand Rapids, Mich., July 22, 1946, which appears in the Appendix.]

ADDRESS BY BISHOP BERNARD J. SHELL

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address delivered by Bishop Bernard J. Shell before the International Alliance of Allied State Employees and Motion Picture Operators, Chicago, Ill., on July 22, 1946, which appears in the Appendix.]

ADDRESS BY COMMANDER LAURENCE E. KIELY AT DEDICATION OF SHEA FIELD

[Mr. WALSH asked and obtained leave to have printed in the RECORD an address delivered by Commander Lawrence E. Kiely, of Arlington Post 39, American Legion, on the occasion of the dedication of the Shea Field at Squantum, Mass., July 20, 1946, which appears in the Appendix.]

ARTICLE REGARDING SENATOR WILEY'S ADDRESS ON OPA

[Mr. WILEY asked and obtained leave to have printed in the RECORD a report in the current issue of the syndicated feature of the National Industry's News Service on a radio address delivered by him on the subject of the Office of Price Administration which appears in the Appendix.]

THE PUBLIC RESPONSIBILITIES OF AN EDUCATED CITIZEN—ADDRESS BY PROF. ANGUS MCKENZIE LAIRD

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address entitled "The Public Responsibilities of an Educated Citizen," delivered by Angus McKenzie Laird, associate professor of political science, to the graduation class of the summer session of the University of Florida, on August 27, 1943, which will appear hereafter in the Appendix.]

THE PACIFIC NORTHWEST FUTURE—STATEMENT BY SENATOR MITCHELL

[Mr. MITCHELL asked and obtained leave to have printed in the RECORD a statement by him entitled "The Pacific Northwest Future," which appears in the Appendix.]

COLUMBIA RIVER SALMON FISHERY

[Mr. MITCHELL asked and obtained leave to have printed in the RECORD a report outlining the aims of Senate bill 2318, relating to the Columbia River salmon fishery, which appears in the Appendix.]

NEWSPAPER HANDLING OF COLUMBIA VALLEY AUTHORITY NEWS

[Mr. MITCHELL asked and obtained leave to have printed in the RECORD an editorial from the Grange News concerning newspaper handling of Columbia Valley Authority news, which appears in the Appendix.]

ARMY AIR FORCE DAY

Mr. MAYBANK. Mr. President, I shall not make a long speech, or delay the Senate, but I believe that on this day there should be included in the RECORD, among other articles, an editorial from the New York Times entitled "Army Air Force Day." The editorial speaks better of the great accomplishments of the Air Force in the war, and as to its future, than perhaps I could describe them in the limited time at my disposal. I shall merely say, as a member of the Committee on Military Affairs, that during the past year we held hearings covering a period of months.

We had the privilege of having the leaders of the Army Air Forces, General Arnold, General Doolittle, General Spaatz, General Stratemeyer, and others, testify before us, and I hope, as the New York Times suggests, on this the first peacetime celebration in 5 years, we may recall some of the facts about this great force.

As one Senator, I wish to express my deep appreciation and respect for what the Army Air Forces, together with the other branches of our service, did in making possible our victory. I trust that in the years to come the Army Air Force will not only take no backward step but will progress more and more, not only in the interest of the defense of our country but in the transportation commands and other commands which the Army Air Forces have so well developed throughout the world under the able leader of that branch of the Army Air Force, General George.

I ask that the editorial from the New York Times be printed in the RECORD at this point, together with an editorial from the Washington Times-Herald of today relative to the same subject.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times]

ARMY AIR FORCE DAY

Today sees the first peacetime celebration in 5 years of the beginnings 39 years ago of what became the mightiest air force in the world. The past tense must be used because in 11½ months of peace the United States Army Air Force shrank to a shadow—both as to size and effectiveness—of the air armada that it was for the final assaults on Germany and Japan. It is, however, now well past the crisis of demobilization that became almost a disorganization, and it is rapidly shaking down into the efficient peacetime organization that makes operative its new slogan: Air Power Is Peace Power.

There probably never will be needed again, air experts believe, the great Air Force of 2,383,000 officers and men and 64,591 planes that was in being at the peak of war operations. Gen. H. H. Arnold, wartime commander of the AAF, says that "the great aerial armadas of World War II are as outmoded as the Macedonian phalanx." Guided missiles and atom bombs will make unnecessary the great destructive fleets that swept over Germany and Japan. The present Air Force complement of 400,000 men can be a more destructive force, therefore, if it is needed, than was the wartime force of almost six times as many.

Two Army Air Forces still remain on active duty, in Germany and Japan, and Army Transport Command still flies 70,000 plane-miles a day on its world routes. In this country five different commands provide the planes, train new men, work out new strategy and tactics, and experiment with jet engines and radio-directed pilotless planes and missiles.

With the lessons of our unpreparedness in 1941 still fresh in mind, the Army Air Force is not the neglected orphan that it was for so many years after the close of the First World War. It would be well not to become too confident that the old lessons will not be forgotten as they recede in memory. More important anniversaries than that of today will be the ones 5, 10, 15, and 20 years from now. All of us, and most of all the fliers, hope the Air Force never will have to fight again, but until peace is secure all over the world we had better have the best.

[From the Washington Times-Herald]

AIR FORCE DAY

Now that peace is threatening to set in, the tendency of the Government is to trim the money needed to keep our Military Establishment in running order. Furthermore, our citizens, who thought they were afflicted with headaches during the war have come up against so many peacetime difficulties that they are inclined to forget about the need to maintain an efficient fighting machine.

It looks now as though we are going to have to keep up with the rest of the world militarily for a long while, what with occupation forces and the need for a bristling attitude just so somebody else won't think we're getting soft and try to move in on us, no names mentioned.

WE ARE GOING TO NEED A BIG AIR FORCE

General Eisenhower has already told us that we will have to keep up an army of 800,000 men merely to fulfill our commitments in occupation, and he is worried about where we're going to get the officers for an army of that size.

He included the Air Force in his calculations, and now the Air Force is doing a little worrying of its own.

Chief spokesman for the Air Force at present is Lt. Gen. George R. Stratemeyer, head of the Air Defense Command, which is charged with keeping the aerial frontier of this continent in a working condition.

It doesn't look as though there is going to be any merger of the Army and Navy right now. The Army is still agitating for it. The Navy has told its propagandists to keep their traps shut, so little is heard from that side.

Falling the merger, the idea of a separate Air Force is quite attractive to military thinkers, and especially to the Air Force. But, even given partial autonomy, the Air Force is still worried.

STRATEMEYER POINTS AT PRECARIOUS POSITION

General Stratemeyer, who is doing some stumping on the subject, believes that we are in a more precarious position, from the aviation standpoint, than we were during World War I. We started that with eight planes, but nobody else had any either. As of last May 1, said Stratemeyer, we had only 36,000 aircraft of all types in the AAF, and only 19,000 of these were first-line planes.

Rapid demobilization has reduced the AAF from over 2,000,000 on VJ-day to 400,000 now. Most of that number are untrained for combat, so that the available bombers and fighters could not be adequately manned.

In short says Stratemeyer, we could not punch our way out of a wet paper bag. And this, he continues gloomily, at a time when the next attack might not be at a point as far away as Hawaii, but directly at New York or Dubuque or Houston. Furthermore, he warns, we won't have a comfortable cushion of time to meet the attack.

Stratemeyer, while admitting the Navy is an officer and a gentleman and very good at fighting on the sea, points out painfully that the Navy has got \$385,000,000 to buy planes while the air force got only \$369,000,000.

Jimmy Doolittle, president of the Air Force Association, an organization of veterans, was a little more outspoken about the Navy and its insidious propaganda. He even said the Navy was trying to start a rival air force, which, he declared, we cannot afford. With this we agree.

PLANE WOULD CARRY THE ATOM BOMB

Doolittle has predicted that there will be new and terrible weapons in the air radar-controlled rockets and the like. But he emphasizes that, as things stand now, the plane is the foremost instrument of peace and the plane would still have to carry the atom bomb.

But Stratemeyer and Doolittle are not so much worried about mergers and the Navy's aims as they are about public apathy toward the Air Force and toward flying.

The Air Defense Command, with its auxiliaries—the Air National Guard, the Air Reserve and the Civil Air Patrol—and such organizations as Doolittle's Air Force Association and the Air Power League, are making a manifold effort to arouse the public interest necessary to the restoration of the Air Force.

With this end in view, President Truman declared today Air Force day, so that everyone can hear about the needs and plans of the Air Force, which sums it up in the slogan—"Air power is peace power."

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Andrews	Hayden	O'Daniel
Austin	Hill	O'Mahoney
Ball	Hoey	Overton
Barkley	Huffman	Pepper
Bilbo	Johnson, Colo.	Revercomb
Bridges	Johnston, S. C.	Russell
Burch	Knowland	Shipstead
Byrd	La Follette	Smith
Capper	Langer	Stewart
Chavez	McClellan	Swift
Connally	McFarland	Taft
Cordon	McKellar	Taylor
Donnell	McMahon	Thomas, Okla.
Downey	Magnuson	Thomas, Utah
Eastland	Maybank	Tunnell
Ferguson	Mead	Vandenberg
Fulbright	Millikin	Wagner
George	Mitchell	Walsh
Gossett	Moore	Wherry
Green	Morse	White
Guffey	Murdock	Wilcy
Gurney	Murray	Young
Hart	Myers	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] is absent because of illness.

The Senator from Nevada [Mr. CARVILLE] is absent by leave of the Senate.

The Senator from Rhode Island [Mr. GERRY] is necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], the Senator from Nevada [Mr. McCARRAN], and the Senator from Maryland [Mr. RADCLIFFE] are detained on public business.

The Senator from New Mexico [Mr. HATCH] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Louisiana [Mr. ELLENDER] and the Senator from Maryland [Mr. TYDINGS] are absent on official business, having been appointed to the commission on the part of the Senate to participate in the Philippine independence ceremonies.

Mr. WHERRY. The Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], the Senator from New Jersey [Mr. HAWKES], the Senator from Kansas [Mr. REED], and the Senator from Kentucky [Mr. STANFILL] are necessarily absent.

The Senator from Vermont [Mr. AIKEN], the Senator from Illinois [Mr. BROOKS], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Indiana [Mr. CAPEHART], the Senator from Wyoming [Mr. ROBERTSON], and

the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Nebraska [Mr. BUTLER] is absent on official business, being a member of the commission appointed to attend the Philippine independence ceremonies.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business as a member of the Special Committee on Atomic Energy.

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Iowa [Mr. WILSON] is absent on official business.

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Sixty-eight Senators having answered to their names, a quorum is present.

REFERENCE OF PRESIDENTIAL NOMINATIONS TO APPROPRIATE COMMITTEE

Mr. BARKLEY. Mr. President, as in executive session, I ask unanimous consent that certain nominations just sent to the Senate by the President, may be referred to the appropriate committee, so that we may secure reports from the committee.

The PRESIDING OFFICER. Without objection, the nominations will be referred to the appropriate committee.

ADDITIONAL APPROPRIATIONS, FISCAL YEAR 1947.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 390, making additional appropriations for the fiscal year 1947; and for other purposes.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. I am very happy to cooperate with the Senator from Tennessee in his request, with the understanding that it in no way displaces the motion now pending before the Senate.

Mr. McKELLAR. The request is made with that understanding.

Mr. THOMAS of Utah. Mr. President, I understand that after we finish consideration of the appropriation bill, we may then proceed with the consideration of Senate Resolution 196?

The PRESIDING OFFICER. That is the understanding of the Chair.

Mr. McKELLAR. Mr. President, I now renew the request that the Senate proceed to the consideration of House Joint Resolution 390.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 390), making additional appropriations for the fiscal year 1947, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, and that the bill be read for amend-

ment, the committee amendments to be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Title I—General appropriations—Legislative," on page 1 after line 8, to insert:

SENATE

To enable the Secretary of the Senate to make the additional disbursements and to perform the additional duties and functions required of his office by reason of the enactment of the Legislative Reorganization Act of 1946, fiscal year 1947, \$173,667; and he is hereby authorized to allocate necessary portions of the said sum to the various Senate appropriations and to make transfers between same, including those contained in the Legislative Branch Appropriation Act for the fiscal year 1947 and those provided for in the said Reorganization Act: *Provided, however,* That the positions and funds now allocated to any Senator or to any standing committee chairman shall be continued until March 31, 1947, unless otherwise directed by the Senator or the chairman.

The amendment was agreed to.

The next amendment was, on page 2, after line 11, to insert:

ADMINISTRATIVE ASSISTANTS TO SENATORS

For compensation of an administrative assistant to each Senator, to be appointed by him, at a base salary of \$6,000 per year, to assist him in carrying out his departmental business and other duties, fiscal year 1947, \$288,000, or so much thereof as may be necessary, to be available at the beginning of the Eightieth Congress.

Mr. BALL. Mr. President, I think inadvertently the committee in adopting the language of the amendment fixed it so that a Senator would have to pay his administrative assistant a base salary of \$6,000, and the intent was to provide that the salary be not to exceed \$6,000. So I offer an amendment to the committee amendment, after the word "of", in line 14, to insert the words "not to exceed."

Mr. McKELLAR. Mr. President, I have no objection to that amendment. It was the intention of the committee to make that provision, and I thought it had been made. I thank the Senator from Minnesota for calling that matter to the attention of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota to the committee amendment.

The amendment to the amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I now desire to offer two amendments to the pending committee amendment, as amended, before it is disposed of. In line 14, on page 2, I move to strike out "\$6,000" and insert "\$8,000"; and in line 16 I move to strike out "\$288,000" and insert "\$384,000."

Mr. President, I desire to address myself to these two amendments, and I ask unanimous consent that they may be considered en bloc since they should go together.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LA FOLLETTE. The Joint Committee on the Organization of Congress took a great deal of testimony from Mem-

bers of both the House and the Senate. In its report filed on the 4th of March last under the heading "Relieving Members of nonlegislative work load," the committee made the following recommendation:

That each senatorial and congressional office be authorized to employ a high-caliber administrative assistant at an annual salary of \$8,000 to assume nonlegislative duties now interfering with the proper study and consideration of national legislation.

Testimony introduced during our hearings estimated that as high as 80 percent of the average Member's time is spent in nonlegislative work. Expansion of governmental activities during the past 25 years has vastly increased the volume of correspondence and the requests for service from the Member's home State and district.

Many of these time-consuming details and errands must be serviced somewhere if the people are to continue to have a clearing-house for their problems in the Nation's Capital. While it is true that the Constitution does not place this burden directly upon the Congress, nevertheless service to constituents has long been an accepted part of the job of a Member of Congress.

A small part of such service is useful in helping to untangle many problems that would otherwise receive cursory or scant attention. No other governmental agency could perform this function so cheaply or with the patience, understanding, and personal interest of congressional offices. It affords one of the few remaining direct contacts between the citizen and his elected Representative. Constituent inquiries also serve to keep Members alert to problems arising under legislation passed by Congress or from the operation of administrative programs. Your committee has studied ways of divesting Members of some of this nonlegislative work load. We find it is neither possible nor advisable to eliminate this service now performed by congressional offices. But the rendering of this service requires increased help in Members' offices in order that they may have adequate time for their duties as national legislators.

At various times Congress has increased Members' stenographic and clerical help as the work load of services to constituents has increased. But we have done nothing to transfer from Members' shoulders the principal burden of this nonlegislative business. Through the appointment of a competent assistant capable of assuming a large part of this service burden, Members can be released for the performance of their legislative duties.

Therefore we recommend that each congressional office be authorized to employ a high-caliber administrative assistant at \$8,000 per year whose duty would be to relieve the Member of a substantial part of the nonlegislative work load and departmental business now carried by the individual Congressman.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I shall be glad to yield in a moment. I wish to complete this statement.

If we accept the committee's recommendation we start with a base maximum salary of \$6,000, which, under the existing pay structure would amount to a total of \$8,339.10. If such a person were married and had two dependents, the withholding tax would amount to approximately \$93.92 a month, resulting in a net salary of \$601 a month. If we adopt the amendment which I have proposed, the base salary of \$8,000, in addition to the increases provided in the pay acts, would amount to \$10,000. A married

person with two dependents would have a withholding tax of \$116.33, or a net salary of \$717 a month.

Mr. President, there is no pride of authorship on my part, or on the part of any other member of the committee in this recommendation. But it was our belief that if we were to obtain the type of person who could in fact act as an administrative assistant and really help to take some of the administrative work load off the shoulders of Senators, such a person would necessarily have to be of high caliber, with broad experience. We did not think of the position as being in the nature of an additional secretary, in the sense in which we ordinarily use the term. We did not think of the salary as representing an increase for existing secretaries. We wished to give Senators the opportunity to appoint to these positions men or women of broad experience who could help to take some of the enormous work load in the departments and other places in the Government from the shoulders of Senators, and thus give Senators more time to discharge their responsibilities on the job for which they were elected under the Constitution, namely, as national legislators performing their duty in committees and on the floor of the Senate.

I do not believe that the salary proposed is excessive. We know that we must pay more money in order to get men and women of the necessary training and experience. We constantly hear the complaint, even from the Chief Executive, that the services of some of the best men in the executive branches are being lost to the Government even with a \$10,000 ceiling.

I presented the amendment to the Appropriations Committee on behalf of the majority leader and the minority leader, in order to obtain the kind of assistants which it seems to me are absolutely essential if Senators are to be freed from extraneous work and given more time to do their primary job. If the position which we recommended is created, a base salary of \$8,000 is not excessive when we take into consideration the salaries generally prevailing today in industry, and what professional men and women are now making outside the Government service.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. My recollection is that when the congressional reorganization bill was before the Senate there was no objection to the provision for an executive assistant at the figure carried in the bill.

Mr. LA FOLLETTE. That is correct.

Mr. BARKLEY. When the bill went to the House, the House did not want the provision, and therefore it was eliminated. But it is my understanding that in the conferences which took place between Members of the House with reference to that legislation the suggestion was made that if the Senate desired to reinsert the provision for the benefit of Senators, the House would have no objection to it, and would agree to it. So what we are attempting to do is to reinsert the provision which we have already agreed to by practically a unani-

mous vote when we passed the reorganization bill.

Mr. LA FOLLETTE. That is correct. While I would be the last to say that the present personnel in Senators' offices might not be entitled to greater compensation, it was not the idea simply to make this the means of increasing the salaries of existing personnel, although there may be some Senators who have persons now in their offices who possess the necessary experience and training. I know of my own personal knowledge of some men of that type in Senators' offices who can no longer be retained, and who will no longer stay in the service of their Senators unless they are given an opportunity for increased compensation.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. HAYDEN. On behalf of the committee, let me say that we took \$8,000 a year to mean \$8,000 a year. As near as the committee could come to \$8,000 a year was to establish a base pay of \$6,000 a year, which, as the Senator has stated, with the additions under the existing pay structure, amounts to approximately \$8,340.

Mr. LA FOLLETTE. I can state very positively that when we drew the amendment which was ultimately acted upon by the Senate, the committee provided, as is usual in connection with every such bill, a certain salary, having the basic salary in mind. We recommended a salary of \$8,000, knowing full well that that was the base salary. At the same time, of course, we recommended an increase in the compensation of Members of Congress, which was obtained. If the committee had wanted to recommend a net salary of \$8,000, it would have recommended in its report a base salary of \$6,000; but we recommended a base salary of \$8,000.

Mr. President, that is all I have to say. Personally I think it is important for the future activities of Senators in the discharge of their primary responsibility as legislators to have persons of the caliber which can be obtained if the amendment which I have proposed is agreed to.

Mr. McKELLAR. Mr. President, the committee gave this question very careful consideration. The figure \$8,000 was in the original bill. The Senator from South Dakota [Mr. GURNEY] was the first to call attention to the fact that if we made the base salary \$8,000, it would mean \$10,000. Additions to the base salary would increase it beyond \$10,000, but there is a ceiling of \$10,000. The Senator from South Dakota made an argument which was so well put that, as I recall, every member of the committee voted for the figure \$6,000, because it really means \$8,339. It is \$339 more than what was thought to be the salary fixed in the bill. Under those circumstances, it seems to me that the proper figure is \$6,000.

Mr. GURNEY entered the Chamber.

Mr. McKELLAR. Mr. President, I was just saying that the Senator from South Dakota called the attention of the committee to the figure \$8,000, and showed that it would really mean \$10,000 instead of \$8,000. At his suggestion the com-

mittee unanimously, as I recall, approved the figure \$6,000, because it means a salary of \$8,339.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. GURNEY. It was my intention to provide for a maximum of exactly \$8,000. But in figuring the basic salary, it was started at \$6,000. The committee wished to make it near \$8,000; so the basic figure was made \$6,000, instead of a gross salary of \$8,000.

Mr. McKELLAR. Yes. And the committee was of the opinion that \$8,339 was sufficient. I have no trouble with the present salaries. I have never had any trouble. It is said that the employees have to pay taxes out of their salaries. So do Senators. Senators pay a tax of \$142.40 a month, which amounts to \$1,708.80 a year, which is taken out of the present salaries of Senators. That is bad, but it is something we all have to expect. I do not think Senators should be relegated to ordinary, every-day duties, and have their employees really put forward into the chief place. I do not think that should be done.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. GURNEY. I have no objection to the figure as it appears in the bill.

Mr. McKELLAR. I thank the Senator.

Mr. President, I ask for a vote on the amendment.

Mr. BALL. Mr. President, I wish to speak briefly in support of the amendment of the Senator from Wisconsin. I was called out of the subcommittee session when the Senator from South Dakota raised his point about the difference between the base salary and the gross salary. I was anxious to have the amendment worded in such a way that it would provide for a base salary of not to exceed whatever amount was determined upon, because I think some Senators will wish to—I know that I intend to—pick out a young man just out of law school, start him at a lower salary, and hold out to him the prospect that if he delivers the goods and does a good job, he will receive an advancement in salary. But, at the same time, Senators who are ranking members of the major committees which are to be set up under the Reorganization Act will have a tremendous legislative burden on their shoulders, and it is those Senators who will need the type of man whom they will not possibly be able to get for less than a gross salary of \$10,000, or more.

We are leaving the matter to the discretion of the individual Senator. If he thinks he does not need a \$10,000 a year man, he can pay less. But I think we should leave the way open for the chairmen and senior members on both sides of the aisle, who will be in charge of the smaller number of major committees which we are setting up, and who necessarily will have to devote much more of their time to their legislative duties than they have devoted heretofore, to have in their offices the kind of man to handle the routine of the office and the departmental work whom they cannot possibly get for less than \$10,000 a year, no doubt.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. McKELLAR. I am one of the senior Members. I have a reasonable amount of work to do, and I think I do a reasonable amount of work. I have never experienced the trouble the Senator has mentioned. I have the very best kind of men as secretaries, and they are taking the work off my hands, and they are working at even a smaller salary than is proposed in this bill. The bill proposes a large increase in the salary of a secretary. I do not think we should make the salary too large. If we do, where shall we get the money? If we simply raise everyone's salary, and continue to raise everyone's salary every time such a bill is before us, and especially every time we have—I started to say every time we have an emergency bill, but I believe this is a supplemental appropriation bill, though they amount to the same thing—if every time we have such a bill before us, we raise everyone's salary, I do not know where we shall get the money with which to pay the salaries.

I think we should be thinking about the Government, to some extent, and not merely about individual salaries to be paid to those who work for the Government.

Mr. BALL. Mr. President, let me say to the Senator that in my service with him on the Appropriations Committee, it has amazed me to see how much time he has devoted to that committee. I know he carries a tremendous legislative load, and I do not know how he ever gets any time in his office.

But, Mr. President, I think it would be short-sighted economy not to provide really adequate salaries for such assistants. I think what we have spent in the legislative branch of the Government has been niggardly, in the past, and it is about time that we gave ourselves a staff adequate to do a sound legislative job in determining how and in what manner the \$40,000,000,000 a year which we appropriate for the executive departments is spent. If by spending a few million dollars more on the legislative branch, we can cut the \$40,000,000,000 national budget even 1 percent or 2 percent, the investment will be repaid many times over to the taxpayers.

Mr. THOMAS of Utah. Mr. President, I think we are losing sight of one of the major points which should be considered, and which was mentioned by the Senator from Kentucky in his remarks. The Senate accepted the reorganization bill. It accepted the figure \$8,000 for administrative assistants. That was the plan. It would have gone through the House except for the fact that the House did not wish to have a salary of \$8,000 for assistants to its Members.

It seems to me that the Appropriations Committee in offering the first amendment designed to carry out the provisions of the legislative Reorganization Act could well stay within the provisions of that act; and since the Senate had already fixed this salary, I think the committee should recommend what had thus been fixed.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. THOMAS of Utah. I yield.

Mr. McKELLAR. I wish to ask the Senator, in all good conscience, whether he understands or believes that the Senate understood, when it allowed \$8,000 for these salaries, that it really meant \$10,000. Does the Senator from Utah think that was understood? Does the Senator think it was discussed? Actually, Mr. President, it was not discussed at all. A salary of \$8,000 was placed in the reorganization bill.

Now the Senator takes a position which will result in making the actual salary which is paid \$10,000, instead of \$8,000. That is what the Appropriations Committee objects to.

Mr. THOMAS of Utah. Mr. President, the Senator from Tennessee is missing my point entirely. I am sure that the reorganization committee and I am sure the Senate understood that the \$3,000 figure would be base pay, and accepted it as base pay, the same as it accepted any other salary as base pay. My point is simply this: Is the Appropriations Committee acting quite fairly with the Senate and is it acting quite fairly with its own rights when it says that the Senate did not intend to do that?

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. THOMAS of Utah. I yield.

Mr. BARKLEY. I wish to say that when the reorganization bill was passed the salaries of all employees had been increased 14 percent. We ourselves had said that there would be an increase of 14 percent. We knew, when we passed that bill, that the base pay of all our employees carries with it an increase of 14 percent, in addition to other increases which have been made from time to time. So that accounts for the difference between the \$6,000 base pay and the \$8,339 gross pay.

Mr. FERGUSON. Mr. President—

The PRESIDING OFFICER. The Senator from Kentucky has the floor. Does he yield?

Mr. BARKLEY. I believe I have said all I wish to say at this time.

The PRESIDING OFFICER. Then the Chair recognizes the Senator from Michigan.

Mr. FERGUSON. Mr. President, as a member of the Appropriations Committee, I wish to say a few words about the pending question. It is true that I have been in the Senate only a short time, but I think I realize at the present time some of the problems with which Senators are faced. There is an enormous amount of work to be done. Senators representing the larger States naturally have a greater amount of work than do Senators representing the smaller States.

The bill we are now discussing is not compulsory. It is optional, insofar as each Senator is concerned. I take it for granted that if we adopt the amendment on the basis of a base pay of \$3,000, no Senator will pay the salary to an employee who, he believes, is not honestly earning that salary.

Therefore, Mr. President, I think that the work which can be done by an able and efficient administrative assistant is well worth the base pay of \$3,000 per annum. It is true that the pay might run up almost to the \$10,000 limit. But

during the time I have been a Member of the Senate I have discovered that there is a great amount of work for Senators and their office personnel to perform. Every Senator in order to take care of his committee work and all other legitimate matters which should be attended to for his constituents should be provided with a very able assistant. In Detroit there are men who are rendering service in connection with their private employment which is similar, in importance, to what a United States Senator renders to his Government, and those men are supplied with executive assistants who receive more pay than is provided for assistants to Senators. If we, as Senators, obtain able assistants, we must take them from government or other walks of life. Therefore, if we are going to solve this problem—I refer to the problem of obtaining necessary efficient assistance—we must be willing to pay salaries which are commensurate with the quality of service we expect to receive.

Mr. President, I for one hope that, under the reorganization plan recently adopted, the Congress will be in position to function more efficiently than it has in the past. I can understand perfectly well that one Member of the Congress may determine that he does not need as much help as does some other Member of Congress. He may have a small constituency compared to the population of other States, and he may not need additional help. But I wish to urge on the Members of the Senate that if they expect, under the reorganization plan, to perform all the work which it will be necessary for them to perform, they should receive proper assistance. The reduction in the number of committees will enable us to give our full attention to the work of each committee of which we may be a member, and to perform more efficient service in connection with committee work. We shall thereby be enabled more efficiently to serve our constituents and the country as a whole. The Nation grows larger each year. The work of a Senator becomes more arduous and difficult each year. If we are going to render to our constituents and to the country as a whole the kind of service which we, as Members of Congress, should render, we must have properly qualified assistants and must be willing to pay them adequate and proper remuneration. I know that the people back home will not be disappointed if their Senators and Representatives hire efficient assistants possessing the proper qualifications. The legislative branch of the Government should be placed on just as high a plane, from the standpoint of remuneration, as is the executive or the judicial. I know that the people of the country will be more satisfied if the efficiency of congressional employees is increased.

Mr. McKELLAR. Mr. President, a few moments ago the Senator from Utah [Mr. THOMAS] said that the principal reason for the change which has been suggested was that the Senate had already passed upon it. Let us see what is in Senate bill 2177. I find the following language on page 35:

Each such administrative assistant shall receive compensation at the rate of \$8,000.

Not base pay, but at the rate of \$8,000 a year. The word "base" does not appear in the bill. So the Committee on Appropriations has appropriated exactly at that rate, namely, \$8,000, and I think clerks now receive something like \$4,500. Some of them now receive as much as \$5,000. By this bill they would be raised to \$8,000.

If the amendment is agreed to, their salaries will be raised to \$10,000, or double the amount they receive at the present time. It seems to me that that is too much of an increase.

Mr. President, I say with all candor that it seems to me that this matter is one on which every Senator should vote, and I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LA FOLLETTE. Mr. President, I wish to say a word about the language in Senate bill 2177 to which the Senator from Tennessee has referred.

The legislative counsel, when drafting the bill, and the joint committee, when making the recommendation, utilized this language because it was considered to be language which would result in a base pay of \$8,000. When the legislative counsel drew the bill there was raised the very question which has been raised here. They were instructed to draw the bill so as to provide for a base pay of \$8,000.

Mr. BARKLEY. Mr. President, there is not a statute of which I know that fixes the pay of any employee of the Senate or the House. The law provides that they shall receive pay at a rate of so much. We got into the habit of using the term "base pay" because we granted an increase of a certain percent, based on the salary the employee was receiving under the statute. Every clerk in our offices who receives \$5,040—that is the maximum which can be paid by any Senator—receives, in addition, the increases which have been granted.

Mr. President, this amendment and the provision in the bill itself, as well as the provision in the original reorganization bill which was passed, is no reflection on the competency, efficiency or loyalty of any of our clerical help. We all have efficient, hard working, loyal and devoted secretaries and clerks. They work not by any clock regulation. They work long hours and remain at night if we want them to remain. Now and then I have found it necessary to take one of my assistants home with me in order to do work which it was necessary to dispose of. If we have a person in our offices who, we think, will fit into this situation, well and good. If we want to bring someone to Washington from our States—I imagine that in some cases that may be done—or bring someone who has had experience and has received special training, such as, for example, a person who may have majored in government when pursuing his studies in the university, it is a matter of our own determination.

We have increased our own salaries, although we were somewhat belated in so doing. We have increased all salaries of Senators and Representatives to

\$15,000 a year. In view of the amendment which the House put into the bill, \$2,500 of the salary is to be tax exempt. The tax experts have figured out that with such exemption the salary of \$15,000 a year is equal to approximately \$17,000 because of the different bracket the salary is put into when we make out our income tax report. The increase which has here been suggested of from \$6,000 to \$8,000 is not out of proportion.

After all, the total expense of the legislative branch of our Government is inconsequential when considered with respect to other departments of the Government. We do not spend in a whole Congress for all that we do and for all legislative activities and purposes as much as some of the departments separately of the Government of the United States—and I do not mean the War and Navy Departments, either.

So, it seems to me we are not extravagant in providing a salary which is about half of what we get for an assistant who can supervise our offices, assist in our legislative duties, and take from our shoulders a lot of details and burdens which grow year after year because of the complexity of our Government and because of the relationship between the Government of the United States and every human being who lives within our States and whom we cannot deny or ignore.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. I merely wish to point out that in the report of the special committee on Senate bill 2177 we made an estimate of the total increase in the appropriations for the legislative branch of the Government that would be entailed if the bill finally becomes law. It amounted to \$12,281,235. I should like to quote this excerpt from the report:

Surely this is a modest price to pay for increased efficiency in the legislative branch of the Government. Even with this modest increase, the total cost of the legislative branch would be \$6,000,000 less than the 1947 Budget estimate for the Office of the Administrator of Civil Aeronautics alone.

Mr. BARKLEY. That emphasizes the point I was making.

Mr. LA FOLLETTE. I will say to the Senator that I had to search the Budget forward and backward to find an agency or department in Washington the cost of which I could make a comparison with the total cost of the legislative branch of the Government.

Mr. BARKLEY. Mr. President, I have said all I care to about the matter.

Mr. WHITE. Mr. President, I desire to say a very brief word about this situation. I think we ought to bear in mind that economy does not consist alone in withholding expenditures of money, but rather economy and efficiency are to be found in the wise use of such expenditures as are provided. There is a greater field for efficiency in the handling of our affairs and in the expenditure of our money and a greater opportunity for economy in doing things wisely than there is in withholding this or that particular sum. As I understand, the difference between the recommendation of

the committee and what the Senator from Wisconsin urges amounts to only about \$190,000 or \$200,000, and I submit that when we compare that with the total expenditure involved in the program upon which we have embarked it is comparatively insignificant, it is not to be taken seriously into account, because I think unless we go forward with the program as outlined in the report and in the legislation which has been handled so wonderfully well by the Senator from Wisconsin, we are putting in jeopardy all we have been striving for in this effort. We have been trying to build an organization that would deal with government as a business, and it becomes us as Senators to deal with it efficiently and wisely. If we are not going to equip this organization to the last degree of efficiency, then we might as well not have started on the program at all.

Mr. BARKLEY. If I may suggest it, we will probably save as much by the reduction in the number of our committees and their staffs under the reorganization plan as this amendment amounts to.

Mr. WHITE. Mr. President, I want to conclude by saying that, much as I hate to be in disagreement with the chairman of the Appropriations Committee, whom I hold in the greatest respect and for whose zeal and ability I have great admiration—

Mr. BARKLEY. I share in that expression of the Senator.

Mr. WHITE. Everybody does.

Mr. BARKLEY. Yes; everybody does, and I hope the Senator from Tennessee is going to be renominated today in Tennessee by the largest majority he ever received.

Mr. WHITE. Unless there is a Republican there who stands a chance of winning, I agree with what the Senator from Kentucky says.

Mr. BARKLEY. If that is the condition of the Senator's concurrence, then he agrees wholly with me.

Mr. WHITE. I hope this expenditure will be authorized, because I believe it will make a contribution to the great purpose we had in view when we passed the reorganization legislation.

The PRESIDING OFFICER (Mr. MAYBANK in the chair). The Chair will state, in keeping with what the Senator from Kentucky has said, that the weather in Tennessee is fair today.

Mr. LANGER. Mr. President, I wish to make a further point. In my State of North Dakota the people became so dissatisfied, because their Senators within the last few years were too busy to render all the service required of them, that about 5 years ago various companies got together and formed an organization called the North Dakota Association which has been employing a man in Washington, who has been here constantly I understand, at a salary of \$10,000, with an unlimited expense account, just to see to it that the various projects of North Dakota had a proper hearing before the various departments.

I appeal to the distinguished chairman of the Appropriations Committee, who has been here for a long time, to realize that that when a new man comes to the Senate he is not as familiar as is the

Senator from Tennessee with the processes of legislation, and wants somebody who thoroughly understands things. The chances are that if we get good administrative assistants, should some of us go out of office, our successors who come in would keep the same man we had already employed.

Mr. McKELLAR. Mr. President, just a word and then the vote may be taken. This language is perfectly plain. At present the highest salary of an administrative assistant or clerk is \$5,000, so I am advised. The language the committee has placed in the bill would raise that salary to \$8,335 a year which is probably the largest increase provided for any Government employee. I do not know of any other employees whose salaries have been raised to such an extent.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. That would depend altogether upon whether the particular person is appointed administrative assistant. I think that in some cases what the Senator says might be true.

Mr. McKELLAR. It would be in my case I know.

Mr. BARKLEY. In cases where a Senator wanted to appoint a new person, of course that comparison would not apply.

Mr. McKELLAR. Yes; but I think in 9 cases out of 10 it means an increase of salary to the person now holding the job of more than half as much again, and that is more than Senators salaries have been increased and more than any others have been increased.

In the present condition of our Treasury, when the Government is not paying its way and taxes are not sufficient to pay what we appropriate, I think the amount in the bill is very reasonable. The language of the La Follette reorganization bill provides as follows, and it cannot be mistaken—

Each such administrative assistant shall receive compensation at the rate of \$8,000 a year.

It does not say \$10,000 a year. It says \$8,000 a year. If the intention had been to make it more it would have said "base pay," which is exactly what the committee amendment says.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. McMAHON. I was deeply interested in the comment made by the distinguished chairman of the Appropriations Committee to the effect that we are not collecting sufficient taxes to pay the expenses of the Government. I think we are all aware of that and that we all hope and trust that we may soon balance the Budget.

I might suggest to my good friend that if the Senators had more time to study the demands which are made by the executive departments, which time would be made available to them if they had taken off their shoulders some of the tremendous burdens which have been imposed upon them in the last few years, they would be able to save far more than the increased cost of this amendment and do more to bring the

Budget into balance. I have had some experience, both in the executive department of the Government and in private business, and I say without fear of contradiction that, if the business we are called on to do, were to be done in the executive department or handled in private firms the cost would be a minimum of three times what is provided for in the legislative appropriation.

The Senator knows and appreciates that, of course, a Senator's salary cannot measure his responsibility. If a Senator were paid according to the standards of private business, for the decisions which he has to make and the burdens he has to bear, in my opinion, the salary would be not less than \$75,000 a year.

While it is true that we cannot make the salary comparable to that, because it is not private business, and we do not come here for personal gain, nevertheless it is the measure of the responsibilities which we have to assume. We should undertake that responsibility with competent help, and if we give ourselves a sufficient amount to hire high class, competent assistants, the gain will definitely be in favor of the people, the taxpayers, of the United States.

Mr. McKELLAR. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. BRIDGES. Mr. President, this matter is one of very definite interest not only to the Senate, but to the country as a whole. Only on rare occasions do I stand on this floor and advocate the spending of more money for any purpose, but I support the amendment in this case because I believe the change suggested would be for the good of the country, would add to the efficiency of the Senate, and would increase the effectiveness of the individual Senator. It would enable him to get an outstanding assistant, would relieve him of many of the miscellaneous and manifold duties which fall on his shoulders, and, furthermore, in a Senate where we have seen men die from overwork, where we see men's health impaired, it is absolutely essential not only for the relief of the individual Senator but for the good of the Senate, in the interest of the Government, and for the good of the country as a whole, that we provide adequate assistance for Senators. I believe provision for this one administrative assistant, for a definite, specific purpose, would be a constructive step forward.

As the Senator knows, the provision will not be effective until the first of the year, and it is being put in the bill at this time so that Senators may make their plans for the coming year.

I hope the amendment offered by the Senator from Wisconsin will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. McMAHON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Andrews	Hart	Myers
Austin	Hayden	O'Daniel
Ball	Hill	O'Mahoney
Barkley	Hoey	Overton
Bilbo	Huffman	Pepper
Bridges	Johnson, Colo.	Revercomb
Burch	Johnston, S. C.	Russell
Byrd	Knowland	Shipstead
Capper	La Follette	Smith
Chavez	Langer	Swift
Connally	McClellan	Taft
Cordon	McFarland	Taylor
Donnell	McKellar	Thomas, Okla.
Downey	McMahon	Thomas, Utah
Eastland	Magnuson	Tunnell
Ferguson	Maybank	Vandenberg
Fulbright	Millikin	Wagner
George	Mitchell	Walsh
Gossett	Moore	Wherry
Green	Morse	White
Guffey	Murdock	Wiley
Gurney	Murray	Young

The PRESIDING OFFICER. Sixty-six Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendments offered by the Senator from Wisconsin [Mr. LA FOLLETTE] which, under the order of the Senate, are to be considered en bloc. The amendments will be stated.

The CHIEF CLERK. In the amendment of the committee on page 2, line 14, it is proposed to strike out "\$6,000" and insert "\$8,000", and in line 16 to strike out "\$288,000" and insert "\$384,000."

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WAGNER (when his name was called). I have a general pair with the Senator from Kansas [Mr. REED]. Not knowing how he would vote, I transfer that pair to the Senator from Missouri [Mr. BRIGGS]. I am not advised how the Senator from Missouri would vote on this question if present. Being at liberty to vote, I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] is absent because of illness.

The Senator from Nevada [Mr. CARVILLE] is absent by leave of the Senate.

The Senator from Mississippi [Mr. BILBO], the Senator from Virginia [Mr. BURCH], the Senator from Rhode Island [Mr. GERRY], the Senator from Montana [Mr. WHEELER], and the Senator from Tennessee [Mr. STEWART] are necessarily absent.

The Senator from New York [Mr. MEAD] is detained on official business.

The Senator from Missouri [Mr. BRIGGS], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. RADCLIFFE] are detained on public business.

The Senator from New Mexico [Mr. HATCH] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Louisiana [Mr. ELLENDER] and the Senator from Maryland [Mr. TYDINGS] are absent on official business, having been appointed to the

commission on the part of the Senate to participate in the Philippine independence ceremonies.

Mr. WHERRY. The Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], the Senator from New Jersey [Mr. HAWKES], the Senator from Kansas [Mr. REED], the Senator from Kentucky [Mr. STANFILL], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from Vermont [Mr. AIKEN], the Senator from Illinois [Mr. BROOKS], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Indiana [Mr. CAPEHART], the Senator from Wyoming [Mr. ROBERTSON], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Nebraska [Mr. BUTLER] is absent on official business, being a member of the commission appointed to attend the Philippine independence ceremonies.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business as a member of the Special Committee on Atomic Energy.

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Iowa [Mr. WILSON] is absent on official business.

The Senator from Illinois [Mr. BROOKS] would vote "yea" if present.

The result was announced—yeas 40, nays 24, as follows:

YEAS—40

Austin	Hill	Revercomb
Ball	Knowland	Russell
Barkley	La Follette	Shipstead
Bridges	Langer	Smith
Capper	McMahon	Taft
Cordon	Magnuson	Taylor
Donnell	Millikin	Thomas, Utah
Downey	Mitchell	Tunnell
Ferguson	Moore	Wagner
Fulbright	Morse	Wherry
George	Murray	White
Green	Myers	Young
Guffey	O'Daniel	
Hart	Pepper	

NAYS—24

Andrews	Hoey	Murdock
Byrd	Huffman	O'Mahoney
Chavez	Johnson, Colo.	Overton
Connally	Johnston, S. C.	Swift
Eastland	McClellan	Thomas, Okla.
Gossett	McFarland	Vandenberg
Gurney	McKellar	Walsh
Hayden	Maybank	Wiley

NOT VOTING—32

Aiken	Carville	Reed
Bailey	Ellender	Robertson
Bilbo	Gerry	Saltonstall
Brewster	Hatch	Stanfill
Briggs	Hawkes	Stewart
Brooks	Hickenlooper	Tobey
Buck	Kilgore	Tydings
Burch	Lucas	Wheeler
Bushfield	Mccarran	Willis
Butler	Mead	Willson
Capehart	Radcliffe	

So Mr. LA FOLLETTE's amendments to the committee amendment were agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. MAGNUSON. Mr. President, I submit two amendments to the pending joint resolution, which I ask to lie on the table.

The PRESIDING OFFICER. The amendments will be received and lie on the table.

The clerk will state the next committee amendment.

The next amendment was, on page 2, after line 18, to insert:

SENATE POLICY COMMITTEES

For maintenance of a staff for a majority policy committee and a minority policy committee in the Senate, consisting of seven members each, for the formulation of over-all legislative policy of the respective parties, the members of such staffs to assist in study, analysis, and research on problems involved in policy determinations, and to be appointed, and their compensation fixed, by the policy committee concerned, at rates not to exceed \$8,000 per annum in any case \$15,000 for each such committee, in all, fiscal year 1947, \$30,000, to be available at the beginning of the Eightieth Congress.

The amendment was agreed to.

The next amendment was, on page 3, after line 4, to insert:

CONTINGENT EXPENSES OF THE SENATE

For purchase, exchange, driving, maintenance, and operation of two automobiles, one for the majority leader of the Senate and one for the minority leader of the Senate, fiscal year 1947, \$13,000.

The amendment was agreed to.

The next amendment was, on page 3, after line 9, to insert:

For an additional amount for expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words, fiscal year 1947, \$150,000: *Provided*, That no part of this appropriation shall be expended for per diem and subsistence expenses except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended.

The amendment was agreed to.

The next amendment was, on page 3, after line 19, to insert:

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For an amount necessary to increase salaries in the Senate Press Gallery, beginning July 1, 1946, as follows: Superintendent from \$3,660 to \$3,820; one assistant superintendent from \$3,000 to \$3,200; and one assistant superintendent from \$1,920 to \$2,100; in all, fiscal year 1947, \$540; and the Legislative Branch Appropriation Act for the fiscal year 1947 hereby is amended accordingly.

The amendment was agreed to.

The next amendment was, under the subhead "House of Representatives," on page 4, after line 14, to insert:

Contingent expenses, folding documents: For an additional amount for folding speeches and pamphlets, at a rate not exceeding \$1 per thousand or for the employment of personnel at a rate not to exceed \$5.20 per day per person, fiscal year 1947, \$15,000.

The amendment was agreed to.

The next amendment was, on page 4, after line 19, to insert:

JOINT COMMITTEE ON PRINTING

Biographical Congressional Directory: To enable the Secretary of the Senate to pay, upon vouchers approved by the chairman

or vice chairman of the Joint Committee on Printing, for compiling and preparing a revised edition of the Biographical Directory of the American Congress (1774-1948) as provided for in House Concurrent Resolution No. 163, adopted July 26, 1946, \$50,000; and said sum or any part thereof, in the discretion of the chairman or vice chairman of the Joint Committee on Printing, may be paid as additional compensation to any employee of the United States, and shall continue to be available until expended.

The amendment was agreed to.

The next amendment was, on page 5, after line 7, to insert:

JOINT COMMITTEE ON THE ECONOMIC REPORT

For salaries and expenses of the Joint Committee on the Economic Report created by section 5 of Public Law No. 304, Seventy-ninth Congress, entitled "An act to declare a national policy on employment, production, and purchasing power, and for other purposes", approved February 20, 1946, fiscal year 1947, \$50,000.

The amendment was agreed to.

The next amendment was, under the subhead "Independent Offices," on page 8, after line 4, to insert:

FEDERAL SECURITY AGENCY

Grants to States for maternal and child health services: For an additional amount, fiscal year 1947, for grants to States for maternal and child health services, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, \$9,180,000.

The amendment was agreed to.

The next amendment was, on page 8, after line 10, to insert:

Grants to States for services for crippled children: For an additional amount, fiscal year 1947, for grants to States for services for crippled children, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, \$6,130,000.

Mr. BRIDGES. Mr. President, have we passed over the item for the Office of Price Administration, on page 7?

The PRESIDING OFFICER. There was no amendment in that section. The Senate is now considering the committee amendments.

Mr. WHERRY. Mr. President, are we adopting the committee amendments now?

The PRESIDING OFFICER. Certain committee amendments have been adopted.

Mr. WHERRY. What is the pending committee amendment?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 8, after line 10.

The amendment was agreed to.

The next amendment was, on page 8, after line 15, to insert:

Grants to States for child-welfare services: For an additional amount, fiscal year 1947, for grants to States for child-welfare services, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, \$3,490,000.

The amendment was agreed to.

The next amendment was, on page 8, after line 20, to insert:

Salaries and expenses, maternal and child welfare: For an additional amount, fiscal year 1947, for salaries and expenses, maternal and child welfare, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, and including also travel, printing and binding, penalty mail, contingent and other expenses, \$925,500.

The amendment was agreed to.

The next amendment was, on page 9, after line 2, to insert:

The appropriations contained in the four preceding paragraphs shall not be available for obligation until the enactment into law of H. R. 7037, Seventy-ninth Congress.

The amendment was agreed to.

The next amendment was, on page 9, after line 5, to insert:

PUBLIC HEALTH SERVICE

Mental health activities: For carrying out the provisions of the National Mental Health Act, except section 11, including travel; printing and binding; stationery; and the objects specified in the paragraph immediately following the heading "Public Health Service" in the Federal Security Agency Appropriation Act, 1947, including the purchase, maintenance, repair, and operation of three passenger-carrying automobiles; and an additional \$2,380,680 for carrying out the provisions of section 314 (c) of the Public Health Service Act with respect to mental health, fiscal year 1947, \$4,358,000, of which not to exceed \$109,400 may be transferred without limitation account to the appropriation "Pay, and so forth, Commissioned Officers, Public Health Service": *Provided*, That there is authorized to be transferred to this appropriation such sums as the Surgeon General may determine to be available in other appropriations of the Public Health Service for mental health activities: *Provided further*, That determinations of the Director of the Bureau of the Budget of employment authorized under this appropriation shall not be subject to the aggregate numerical limitations set forth in section 607, subsection (g) (1) (A) of the Federal Employees Pay Act of 1945, as amended.

The amendment was agreed to.

The next amendment was, on page 10, after line 4, to insert:

National Institute of Mental Health: For the acquisition of site or sites, the preparation of drawings and specifications, and the performance of other work for the accomplishment thereof, for the National Institute of Mental Health, as authorized by section 11, Public Law 487, Seventy-ninth Congress, to remain available until expended, \$850,000: *Provided*, That this amount may be transferred, upon the request of the Federal Security Administrator, to the Public Buildings Administration, Federal Works Agency.

The amendment was agreed to.

The next amendment was, on page 10, after line 14, to strike out the following subhead.

FEDERAL WORKS AGENCY—PUBLIC ROADS ADMINISTRATION

And in lieu thereof to insert the following subhead:

FEDERAL WORKS AGENCY

PUBLIC ROADS ADMINISTRATION

The next amendment was, on page 11, after line 2, to insert:

War and emergency damage, Territory of Hawaii: For carrying out the provisions of section 2 of the act entitled "An act to provide emergency relief for the victims of the seismic waves which struck the Territory of Hawaii, and for other purposes" (H. R. 6918, 79th Cong.), to be expended by the Commissioner of Public Roads in accordance with provisions applicable to its customary operations in the construction, rehabilitation, and repair of roads, highways, and bridges, by contract or otherwise, and necessary expenses incident thereto without regard, outside continental United States, to section 3709 of the Revised Statutes, in-

cluding personal services in the District of Columbia or elsewhere and employment of personnel outside the continental United States without regard to civil-service and classification laws and section 14 (a) of the Federal Employees Pay Act of 1946, and the purchase of passenger motor vehicles, \$8,000,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 11, after line 20, to insert:

BUREAU OF COMMUNITY FACILITIES

Emergency relief for the Territory of Hawaii: For carrying out the provisions of section 1 of the act entitled "An act to provide emergency relief for the victims of the seismic waves which struck the Territory of Hawaii, and for other purposes" (H. R. 6918, 79th Cong.), \$1,300,000, to remain available until expended, of which amount not to exceed \$65,000 shall be available for administrative expenses of the Bureau of Community Facilities, including travel, the purchase of two passenger motor vehicles, and personal services in the District of Columbia and elsewhere without regard to section 14 (a) of the Federal Employees Pay Act of 1946.

The amendment was agreed to.

The next amendment was, on page 13, after line 2, to strike out:

DEPARTMENT OF COMMERCE

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Export control: For an additional amount, fiscal year 1947, for "Export control," including the objects specified under this head in the Department of Commerce Appropriation Act, 1947, \$600,000.

The amendment was agreed to.

The next amendment was, on page 13, after line 8, to insert:

DEPARTMENT OF LABOR

BUREAU OF LABOR STATISTICS

Salaries and expenses: For an additional amount, fiscal year 1947, for "Salaries and expenses," including the objects specified under this head in the Department of Labor Appropriation Act, 1947, \$25,000, to be available for obligation until January 31, 1947.

The amendment was agreed to.

The next amendment was, on page 14, after line 9, to insert:

TREASURY DEPARTMENT

STRATEGIC AND CRITICAL MATERIALS (ACT OF JULY 23, 1946)

For all expenses necessary for the procurement, transportation, maintenance, rotation, storage, and refining or processing of strategic and critical materials for national defense purposes, as authorized by the Strategic and Critical Materials Stock Piling Act (Public Law 520, 79th Cong.), including personal services and rental and maintenance of storage space in the District of Columbia and elsewhere, \$250,000,000: *Provided*, That any funds received as proceeds from sale or other disposition of materials on account of rotation of stocks of strategic and critical materials shall be deposited to the credit, and be available for expenditure for the purposes, of this appropriation.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. HILL. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Alabama will be stated.

The CHIEF CLERK. On page 10, after line 13, it is proposed to insert:

Hospital and construction activities: For carrying out the provisions of title VI of the Public Health Service Act, as amended (S. 191), fiscal year 1947, including travel; printing and binding; the objects specified in the paragraph immediately following the caption "Public Health Service" in the Federal Security Agency Appropriation Act, 1947; and the purchase of 8 passenger automobiles; \$2,425,000, of which not to exceed \$147,147 may be transferred to the appropriation "Pay, etc., commissioned officers, Public Health Service" for not to exceed 28 commissioned officers, and not to exceed \$41,680 may be transferred to the appropriation "Salaries, Office of the General Counsel," Office of the Administrator, Federal Security Agency: *Provided*, That this appropriation shall be available for personal services without regard to section 14 (a) of the Federal Employees Pay Act of 1946: *Provided further*, That the availability of this appropriation is contingent upon the enactment into law of said S. 191.

Mr. McKELLAR. Mr. President, a budget estimate had not come before the committee for this item. It has since come in and I suppose there is no reason why the amendment should not be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama.

The amendment was agreed to.

Mr. MURDOCK. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Utah will be stated.

The CHIEF CLERK. On page 20, after line 12, it is proposed to add the following new section:

SEC. 302. Section 2 (a) of the act of June 11, 1946 (Public Law 404, 79th Cong.), is amended by striking out the period at the end thereof and inserting a semicolon and the following: "and the Veterans' Emergency Housing Act of 1946."

Mr. MURDOCK. Mr. President, this is the same amendment which I offered a day or so ago to the social security bill. It exempts the veterans' emergency housing program from the administrative act which was passed recently. I explained the other day that the housing program for veterans is being impeded and held up by reason of the fact that all directives and orders necessary to expedite the program must be published in the Federal Register for a period of 30 days. The amendment was agreed to the other day unanimously, but I am now advised that by reason of the parliamentary situation surrounding the social security bill, in order to be absolutely sure that this amendment goes through it should be included in this bill. If it goes through on this bill, it will be stricken from the other bill.

Mr. McKELLAR. Mr. President, is the amendment in exactly the same language as the amendment to the other bill?

Mr. MURDOCK. It is in exactly the same language.

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. MURDOCK].

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Washington will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following new paragraph:

VETERANS' ADMINISTRATION

Automobiles and other conveyances for disabled veterans: To enable the Administrator of Veterans' Affairs to provide an automobile or other conveyance, equipped with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II, whether or not discharged from service, who (1) is entitled to disability compensation or pension under the laws administered by the Veterans' Administration, and (2) is unable, because of the loss, or loss of use, of one or both lower limbs, to use normal means of locomotion or ambulation: *Provided*, That no part of the money appropriated by this paragraph shall be used for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance under the provisions of this paragraph until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others, and will be licensed to operate such automobile or other conveyance by the State of his residence, \$30,000,000, to remain available until expended.

Mr. MAGNUSON. Mr. President, this amendment is offered to the pending bill because of the parliamentary situation with respect to bills which have been introduced in both the House and the Senate providing ambulatory means for so-called amputees.

Most Members of the Senate are familiar with the problem. I need not go into it in detail. These boys have been around the Capitol for many days. They have talked with a number of Senators and Members of the House. The distinguished Senator from Wisconsin [Mr. LA FOLLETTE] introduced a legislative bill to the same effect as my amendment, and I understand that Mrs. ROGERS, a Representative from Massachusetts, has introduced a similar bill in the House.

I have spoken with many Senators and Members of the House in the past 3 or 4 days. Everyone with whom I have talked has been hopeful that the legislative authorization for this purpose would clear the House committee and the House, and that we could take it up in the Senate before final adjournment. However, apparently there has been some opposition to the bill in the House. I do not know for what reason. Whether it is a legislative obstacle or whether it is actual opposition to the merits of the bill, I do not know. But unless we do something now in the Senate, or unless the House acts today—and I have been given to understand that it may or may not—the bill may die and nothing will be done for these boys during this session. Many of them will be discharged. Nearly all of them will be on their way out. Many of them are at Walter Reed and other hospitals

throughout the country learning how to use the artificial limbs and other ambulatory means which have been furnished them by the Veterans' Administration and the Army. They feel, the doctors feel, and I am sure every citizen who looks into the matter will feel that now that the manufacturers are making automobiles so equipped that a man whose legs have been amputated clear up to his hips can drive them safely and can get a license to drive them, we should provide such ambulatory means for him, so that he can take his place back in society.

At first I believed, as did many others, that there should be a legislative authorization for this matter. But upon examination of the authority of the Veterans' Administration, I do not think such authorization is necessary. I think all we need to do is to appropriate the money for this particular purpose, with the proper safeguards; and then the Veterans' Administration will be able to furnish these ambulatory means. The Veterans' Administration furnishes limbs and wheel chairs and in some cases other means of transportation for unfortunates.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HAYDEN. Did I correctly understand the Senator from Washington to say that the basic act creating the Veterans' Administration is sufficient authority of law to justify this appropriation?

Mr. MAGNUSON. That is my understanding. I say frankly that I make that statement solely on the basis of the examination which I myself have made, but that is my conclusion.

Certainly the Army has the means. At first I was uncertain whether we should appropriate the money to the War Department or to the Veterans' Administration. But because of the fact that most of these boys will be out of the Army by the time this matter culminates, and subsequently will be in the hands of the Veterans' Administration, it seems to me it would be proper to let the Veterans' Administration have charge of it. Some of the boys who are in this situation are already out of the Army.

I discussed the matter with the Senator from Colorado [Mr. JOHNSON], who has been intensely interested in this problem. I have no pride of authorship about the measure. The Senator from Wisconsin worked hard on it, too. But because of the legislative situation, I think it is only fair and proper that we do something at this time in this connection. The sum of money involved is \$30,000,000, which is a large amount. But, again, it seems to me that if we can furnish a means of locomotion to the amputees who have given practically their all for this country, we should do it, for many of them cannot ride in public conveyances. If they wait for a bus or a streetcar, they have to be assured that they will find a seat on it when they board it.

No doubt many Senators have seen statements in the newspapers to the effect that automobiles are now so con-

structed that such men can drive them safely. The other evening I was told that two or three amputees at Walter Reed, men whose legs are cut off above their knees, were tending to become psychiatric cases because of their condition, but that when those automobiles were brought there and they were taught to drive them, a complete change occurred in their morale.

So, Mr. President, I think this is little enough for us to do for these men.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. LA FOLLETTE. If anyone has any doubt about the capability of these men, after they are trained, to drive properly equipped automobiles, I should like to call attention to the fact that in the hearings in the committee there was inserted a record coming from a man in charge of the registration of motor vehicles in Massachusetts, and in it he said that such men had an excellent safety record in driving cars under the Massachusetts license system.

Mr. MAGNUSON. Yes.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. JOHNSTON of South Carolina. I should like to ask just was an amputee is, as defined in the amendment.

Mr. MAGNUSON. I am sorry that I have not had time to have the amendment printed.

Mr. JOHNSTON of South Carolina. I wish the Senator to know that I am in favor of the proposal, but I wish the term defined, so that there will be no question as to what an amputee is.

Mr. MAGNUSON. I appreciate that that point must be made clear.

The amendment provides in part:

Whether or not discharged from service, who (1) is entitled to disability compensation or pension under the laws administered by the Veterans' Administration, and (2) is unable, because of the loss, or loss of use, of one or both lower limbs, to use normal means of locomotion or ambulation.

Mr. JOHNSTON of South Carolina. That is perfectly all right.

Mr. MAGNUSON. That would mean that a man who had his fingers off or who had a portion of one leg off and had an artificial limb fitted would be regarded as having normal means of locomotion.

Mr. JOHNSTON of South Carolina. I wish the Senator to know that I think they are entitled to anything we can give them.

It is impossible to legislate anything like a proper compensation for these heroes who have made such magnificent sacrifices to the cause of freedom for all peoples everywhere.

We can, however, through the enactment of such legislation assist these men in equipping themselves with all possible mechanical aids to offset their physical handicaps. These veterans can then enter into the competition of present-day living with less of a handicap. It will speed their readjustment in a normal way of life.

I sincerely hope the Senate will give immediate approval to this amendment.

Mr. GREEN. Mr. President, will the Senator yield to me?

Mr. MAGNUSON. I yield.

Mr. GREEN. I understood the Senator, when reading the amendment, to say "(1) or (2)."

Mr. MAGNUSON. It is "and."

Mr. GREEN. Yes; I think it should be "and."

Mr. MAGNUSON. I thank the Senator, and I agree that it should be "and," as it is.

Mr. President, I think it should be pointed out that there may be some difficulty in connection with determining what types or makes of automobiles will be used. I do not know how the Veterans' Administration will work out that matter. All of us have some preference for a particular make of car. Some persons prefer Packards, some prefer Oldsmobiles, some prefer Fords, some prefer Cadillacs. I talked to some of these boys the other evening. In fact, one of them, who has lost both legs, is an old friend of mine. I am not attempting to boost any particular automobile or automobile concern, but I think I should tell the Senate that the veterans to whom I have talked say that the Oldsmobile has made great strides in development, insofar as the problem of use by them is concerned, because of the "hydromatic drive" principle. Of course, I can imagine that the automobile manufacturers might enter into some sort of competitive test to determine who could produce the best type of car for this particular purpose. In any event, I am frank to say that I do not know what kind of cars will be used.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. FERGUSON. It will be within the discretion of the Administrator to decide that; will it not?

Mr. MAGNUSON. Yes; that will be within the discretion of the Administrator, and I am sure he will find the best kind of automobile to use for this purpose.

Mr. FERGUSON. Therefore, he will find the best car for the particular use, and one car might be most satisfactory for one person, and another car might be most satisfactory for another person.

Mr. MAGNUSON. Yes. The only way in which I could accept the amendment was to have it provide that the discretion would be left there.

Mr. FERGUSON. I believe the amendment should be passed.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. REVERCOMB. Is there any provision as to any fixed sum of money which may be paid for such cars? Is there any limitation on the amount which may be paid for them?

Mr. MAGNUSON. I am afraid that all I could do in that respect was to provide that that decision should be left to the discretion of the Veterans' Administration.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I now offer the other amendment which lies at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following new paragraph:

DEPARTMENT OF JUSTICE

For the purchase, exchange, driving, maintenance, and operation of one automobile for the Chief Justice of the United States for the fiscal year 1947, \$6,500.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

Mr. BRIDGES. Mr. President, do I correctly understand that the amendment would provide an automobile for the Chief Justice?

The PRESIDING OFFICER. That is the understanding of the Chair.

Mr. BRIDGES. Mr. President, what does the Chief Justice have to do around Washington that would require the use of an automobile, other than to go back and forth from the Supreme Court to his place of residence? He does not have the duties that a member of the Cabinet has or the duties that the minority leader, the majority leader, the Speaker of the House, and some other officials who are provided with cars have. I am wondering what the Chief Justice or the Associate Justices of the Court have to do, other than to go from their residences to the Court and return. If that is the only purpose for which they use automobiles, I see no reason for providing for the purchase of an automobile for the Chief Justice. If he needs an automobile for his official duties, that certainly would be an argument in favor of providing one for him—but certainly not for his own private convenience in traveling between his home and his office. I think a very serious question is involved.

Mr. MAGNUSON. I may say to the Senator that I do not know just what duties the Chief Justice of the United States has as compared with the duties which members of the Cabinet have, but I know that the Chief Justice of the United States, in occupying the office which, in my opinion, is second to the office of the President of the United States, and I believe is so regarded in the minds of the people generally throughout the country, is called upon from time to time to attend many functions and ceremonies, as well as to perform other duties in connection with his high office. Surely, if department heads of the Government can be supplied with automobiles to drive around town, we owe it to the dignity of the office of the Chief Justice of the United States to furnish him with an automobile and a chauffeur. I have known of former Chief Justices who could not afford such conveniences. I am not in position to say with regard to the present Chief Justice. But I have known of Chief Justices who were not in position to own their own private conveyances. I know of one instance of a Chief Justice who was driven to a memorial service in a broken-down taxicab while other officials of the Government drove to the ceremony in Government supplied cars.

Mr. BRIDGES. They did not include United States Senators. I do not know of any Senators who are driven around in automobiles supplied by the Government, and driven by chauffeurs.

Mr. MAGNUSON. I have seen Senators being driven around in cars operated by chauffeurs.

Mr. President, I shall not press the amendment. I thought, in view of the fact that nearly all department heads, Cabinet officers, and many other officials of the Government require the use of cars in going from their homes to their offices, and from their offices back home, as well to other parts of the city, that the Chief Justice of the United States should be supplied with similar conveniences.

Mr. BRIDGES. I think this matter should be referred to the committee where proper evidence on the subject may be presented. I have a very high opinion of the office of Chief Justice of the United States, and I also have a high opinion of the man who now occupies that office; but he is called upon to perform no outside duties; and I cannot see why he should require the use of a Government-supplied car for the purpose of going nowhere except from his home to his office and from his office back home.

I know that the predecessor of the present Chief Justice felt that it was very unfortunate that members of the Court participated from time to time in outside activities. I think that the Chief Justice of the United States and all Associate Justices of the Supreme Court should confine themselves to their duties in the Supreme Court. Certainly they do not need automobiles to drive around here and there. In making that statement I am not aiming at the office of the Chief Justice, nor the distinguished gentleman who now occupies the office of Chief Justice of the United States, because I have a personal feeling and affection for him. However, I think that if we adopt this amendment it will not be long before we shall be asked to provide Government-owned cars for the use of all Associate Justices.

Mr. MAGNUSON. Mr. President, that is not at all the intent of the amendment. I wish to assure every Member of the Senate that my amendment is not in any way connected with any suggestion or idea of the present Chief Justice of the United States. The idea is mine entirely. At one time I introduced a bill in the House of Representatives which had for its purpose one similar to that of the amendment which I have offered. But the Chief Justice of the United States is duty bound on many occasions to attend ceremonies in various sections of the city in representing the highest judicial department of the Government.

I appreciate the opinion of former Chief Justice Stone. But he was able to afford the expense of a car and a chauffeur to drive it. The time may come when the Chief Justice will not be able to afford such a convenience. I think it is embarrassing for a man who represents the great judicial department of the Government not to be furnished with an automobile supplied by the Government and a chauffeur to operate it, when other officials who represent various departments, some of which are not so important as is the Supreme Court of the United States, are provided with cars.

Mr. BALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BALL. Did not the Congress recently vote to increase the salaries of all Judges by \$5,000?

Mr. MAGNUSON. The Congress voted to increase the salaries of all members of the Federal judiciary.

Mr. BALL. Thereby making the salary \$15,000.

Mr. MAGNUSON. I do not know just what the increase amounts to.

Mr. BRIDGES. I believe that the Senator from Washington will find that the salary of the Chief Justice of the United States is entirely adequate for him to provide himself with a car to drive back and forth between his home and his office. I agree that too many persons are now riding around in Government-owned cars at Government expense. But the way to remedy that situation is to take the cars away from the bureaucrats who are using them.

Mr. MAGNUSON. The Senator from New Hampshire does not want the Chief Justice of the United States to board himself up in the marble palace across the street, does he?

Mr. BRIDGES. No; but I do not see why the Government should be called upon to provide a car for his pleasure.

Mr. MAGNUSON. The Government is not called upon to do anything of that kind. My thought is that the dignity and the high character of the office of Chief Justice of the United States require a small appropriation to be made for use as I have suggested.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

Mr. BRIDGES. Mr. President, I object. If a vote is to be taken on the amendment I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MAGNUSON. Mr. President, I do not wish to embarrass any Member of this body. The amendment is entirely my own idea. Action by the Senate on the amendment might embarrass the great Chief Justice of the United States. In view of the fact that objection to the amendment has been raised, and in view of the further fact that I may be privileged next year to appear before the committee and offer evidence in support of the proposal, I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. Without objection, the Senator from Washington withdraws the amendment. The order for the yeas and nays is rescinded.

Mr. THOMAS of Utah. Mr. President, before action is taken on the pending bill I wish to invite attention to the fact that on the calendar there are many bills upon which, much to my great regret, the Senate has not been able to act. I feel that as time goes on the Members of this Congress will regret very much that action has not been taken. One of the bills which I have in mind is Senate bill 2044, to promote the common defense by unifying the departments and agencies of the Government relating to the common defense. It is the so-called Army and Navy unification bill. I am very sad that the Senate has not pushed on to a consideration of that bill.

I am also saddened by the fact that the Congress has not taken up and passed Senate bill 1920, a bill to provide for the demonstration of public-library service in areas without such service or with inadequate library facilities.

I also think that the Congress has made a serious mistake in refusing to consider and dispose of the simple recreational bill such as, for example, Senate bill 2070, a bill to authorize the Federal Security Administration to assist the States in the development of community recreation programs for the people of the United States, and for other purposes.

The one mistake which I regret above all others is in the refusal of the Congress to consider the bill providing Federal aid to education. I refer to Senate bill 181, to authorize the appropriation of funds to assist the States and Territories in more adequately financing their system of public education.

Mr. President, after years of labor in connection with these measures, and after so much time has been spent on them by such Senators as the Senator from Alabama [Mr. HILL] and the Senator from Ohio [Mr. TART], it seems very unfortunate that these measures have not been given consideration by the Senate and passed.

I also regret that some of the military bills will not be acted upon by this Congress.

The subcommittees which have considered these bills spent on them not only hours or days, but weeks and months. I speak also of the bill which the present occupant of the chair, the distinguished Senator from South Carolina [Mr. MAYBANK] sponsored as chairman of a subcommittee. He has given literally weeks and weeks of his time, and the fact that the Senate has not seen fit to consider the bill is one of my great regrets.

Mr. BALL. Mr. President, I ask unanimous consent that the vote by which the amendment beginning on line 21, page 8, and ending on line 2, page 9, was agreed to, be reconsidered.

The PRESIDING OFFICER. Is there objection?

Mr. PEPPER. Mr. President, reserving the right to object, I do not wish to deprive the Senator from Minnesota of the right to make an argument. The amendment involves a reduction in the administrative expenses of the Children's Bureau with respect to the appropriation contained in the bill. I would not deny unanimous consent, but I shall discuss the amendment.

Mr. HILL. Mr. President, will the Senator from Minnesota yield?

Mr. BALL. May I ask the chair, has the unanimous consent been granted?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and the vote by which the amendment was agreed to is reconsidered, and the question is on agreeing to the amendment.

Mr. HILL. Mr. President, I wish to address myself for about 2 minutes to a bill about which the Senator from Utah [Mr. THOMAS] has just spoken. I wonder if the Senator from Minnesota would be willing to yield to me to make a 2 or 3

minute statement, so that it might follow logically after the statement of the Senator from Utah, before the Senator enters upon a discussion of the amendment the vote on which has just been reconsidered.

Mr. BALL. Mr. President. I suggest that the Senator ask unanimous consent to have his remarks follow those of the Senator from Utah. I shall be very brief.

On page 8 of the bill are three amendments increasing grants to States for maternal and child health services, for the services for crippled children, and for child welfare services. These are all grants to States. They are contingent upon the increase in the authorization included in the Social Security Act amendments finally becoming law. They approximately triple the present appropriations for these grants to States.

In the rush of considering these amendments in the committee yesterday I did not get a good chance to examine the item for salaries and expenses of the Children's Bureau in administering these additional grants. I find on examination that the appropriation for administrative expenses contained in the bill is \$925,500, as compared with the appropriation for the present fiscal year, which the subcommittee really went into, of \$575,000, to administer the grants. All we have done is increase the amounts, and it seems to me that nearly tripling the administrative expenses certainly is not justified.

Mr. McKELLAR. What amount does the Senator suggest?

Mr. BALL. I suggest striking out "925,500" and inserting in lieu thereof "\$325,000."

Mr. PEPPER. Mr. President, I wish to be heard on the subject.

The Children's Bureau at the present time is getting for maternal and child health and child welfare services, and crippled children services, a total appropriation of about \$10,000,000. I was the author of a bill called the Maternal and Child Welfare Act, which was considered by the Senate Committee on Education and Labor. Hearings were had upon it, and I made an effort, as did others who were with me in that matter, to have the bill favorably reported. However, due to the lateness of the session, it was agreed by the committee that the Senator from Ohio [Mr. Taft] and I should constitute a subcommittee to work out an increase in the present social security appropriation for those three purposes. The Senator from Ohio and I collaborated in working out an amendment to the present social security law to increase the appropriations to about \$30,000,000 altogether. We also agreed upon an increase in the administrative expenses appropriation for the Children's Bureau. At the present time the administrative expenses of the Children's Bureau amount to about \$590,000. This amendment calls for an increase of \$925,500, which is not in the same ratio as the appropriations.

Both the Senator from Minnesota [Mr. Ball] and I in the last few minutes have talked to Dr. Eliot, of the Children's Bureau, about the proposal of the Senator from Minnesota to reduce the

amount, which had been adopted, until the Senator's request for unanimous consent was agreed to. Dr. Eliot strongly insists that these funds are necessary for the Children's Bureau, and she gives me some itemization, in a general way, of what the funds are to be used for.

For example, about \$400,000 goes to the health service of the Children's Bureau; \$147,000 to the social services; \$47,000 for auditing; \$37,000 for reporting from the States; \$35,000 for administrative expenses; \$17,000 for correspondence; \$11,000 in the office of the Chief of the Children's Bureau, and the like.

A part of the expenditure contemplates setting up two additional regional offices. They now have eight regional offices. They wish to add two more, which will make 10 for the Nation at large.

Mr. BALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BALL. I have served for a couple of years on the subcommittee of the Committee on Appropriations which considers the budget of the Children's Bureau, and the items about which the Senator is talking are not at all connected with these increased appropriations for grants to States. The Children's Bureau has been trying for at least 2 years, to my knowledge, to get the regular subcommittees of the Committees on Appropriations of both Houses to agree to more regional offices and larger regional staffs. I might say to the Senator that in the Senate we have several times increased the appropriation, and we have had to come down in conference because the House would not agree. But we have managed to hold some increases, and we have built up the regional staffs considerably in the past 2 years.

When the budget estimate came up yesterday there were not copies available for all members of the committee, but the Children's Bureau is trying in this emergency appropriation to approximately triple the present administrative staff, and it seems to me the wrong way to go about appropriating funds.

I suggest to the Senator that we give them \$325,000 additional in this bill. They are not going to get the money out to the States immediately, anyway, and that amount will take care of the situation until next January. If they come in then and can show the regular subcommittees that they really need the money and that they are carrying on these other activities, they can get the appropriation.

Mr. PEPPER. Mr. President, I appreciate the point of view of the Senator from Minnesota, but I am sure he would not blame me for taking Dr. Eliot's word in this matter, because of her technical knowledge of the subject—everyone knows that she is assistant to the Chief of the Children's Bureau—rather than the more limited knowledge of the able Senator from Minnesota. Dr. Eliot assures me—and gives me the items—that this appropriation is necessary for their administrative expenses. I am sure the Senate would not wish to deny the Children's Bureau the power to use the money Congress is appropriating in the most effective and efficient way.

I hope the amendment of the Senator from Minnesota will not be agreed to.

The PRESIDING OFFICER. Does the Senator offer his suggestion in the form of an amendment?

Mr. BALL. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota [putting the question]: The Chair is in doubt.

Mr. BALL. I ask for a division.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Austin	Langer	Overton
Ball	McClellan	Pepper
Bridges	McKellar	Taft
Byrd	Magnuson	Thomas, Okla.
Donnell	Maybank	Thomas, Utah.
Eastland	Millikin	Tunnell
George	Mitchell	Wagner
Green	Morse	Walsh
Hill	Murray	Wiley
Johnson, Colo.	Myers	Young
La Follette	O'Daniel	

The PRESIDING OFFICER (Mr. Overton in the chair). Thirty-two Senators having answered to their names, a quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators and Mr. BARKLEY, Mr. CAPPER, Mr. CHAVEZ, Mr. FULBRIGHT, Mr. GUFFEY, Mr. HAYDEN, Mr. HUFFMAN, Mr. KNOWLAND, Mr. SMITH, Mr. SWIFT, Mr. TAYLOR, and Mr. WHEELER answered to their names when called.

The PRESIDING OFFICER. Forty-four Senators have answered to their names. There is not a quorum present.

Mr. McKELLAR. I move that the Sergeant-at-Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant-at-Arms will execute the order of the Senate.

After a little delay, Mr. WHITE, Mr. VANDENBERG, Mr. HART, Mr. CONNALLY, Mr. O'MAHONEY, Mr. CORDON, and Mr. REVERCOMB entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-one Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from Minnesota [Mr. Ball] to the committee amendment on page 9, line 2.

Mr. BALL. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BALL. Mr. President, I should like to state briefly what the amendment is. It is on page 9 of the bill, in line 2, and proposes to strike out "\$925,500" and insert in lieu thereof "\$325,000." The purpose of the committee amendment is to increase the appropriation for administrative expenses of the Children's Bureau. In the preceding three paragraphs we approximately treble the grants to States for maternal and child-health services, services for crippled children, and child-welfare services. This year the regular appropriation for the Children's Bureau to administer the grants now made is \$575,000 for the whole year. In

the rush of considering this bill in the committee yesterday the increase, nearly trebling the amount the Bureau now has for this purpose, slipped through, and the figure of \$925,500 was inserted in the bill. The Bureau will be administering grants to the same States, for the same purposes. There will be some additional auditing expense. It seems to me that \$325,000 in addition to the \$575,000 which the Bureau now has should be ample.

Mr. McKELLAR. Mr. President, so far as the chairman of the committee is concerned, he is in entire accord with the reduction of this amount. It would be a foolish waste of the people's money to appropriate three times as much for this purpose. I think the Senator from Minnesota is probably very liberal. Certainly we ought not to go beyond the amount which the Senator recommends.

Mr. PEPPER. Mr. President, I very much regret that the able chairman of the committee has taken the position which he has announced. The Senate Committee on Education and Labor authorized the Senator from Ohio [Mr. TAFT] and me to work out an increase in the social-security appropriation for maternal and child health services, services for crippled children, and child-welfare services. We agreed upon an increase from \$10,000,000, which is the amount of the present appropriation for those three purposes, to approximately \$30,000,000. That certainly was not an excessive increase in the appropriation for the Children's Bureau for those three purposes.

As an incident to that appropriation, the Children's Bureau submitted an estimate for an increase in the amount for administrative expense. The present appropriation for that purpose is \$575,000. The committee amendment proposes to add \$925,500 to the amount of the present appropriation, not quite double the amount of the appropriation for administrative expenses, while the funds which must be administered have been approximately trebled.

The Committee on Appropriations reported the bill with an increase of \$925,500 for this purpose, and the Senate agreed to the committee amendment earlier in the day. Although I might have objected to the unanimous consent request of the Senator from Minnesota, I did not wish to deny him the opportunity of making an argument to the Senate, and acquiesced in his request after the Senate had already adopted the committee amendment, which contains a figure of \$925,500.

When the Senator from Minnesota mentioned to me that he had in mind an effort to reduce this item, I called Dr. Eliot, Assistant Director of the Children's Bureau, on the telephone. The Senator from Minnesota had an opportunity to speak to her, so that she could tell him how much needed this appropriation was. Then I spoke to her, and she gave me an itemization of the manner in which this money is to be spent. According to her assertion, every dollar of it is necessary for the Children's Bureau effectively to carry out the added program which we have made possible by

increasing the appropriation for maternal and child health services, services for crippled children, and child-welfare services. The program contemplates two additional regional offices, making 10 instead of 8, as at present. It contemplates some additional clerical and professional staff, and certain other items incidental to the proper administration of the increased funds.

There is no evidence contrary to what Dr. Eliot has submitted, and what was submitted to the Committee on Appropriations as a basis for the committee's action. In my opinion, it would not be consistent for the United States Senate to appropriate the many increases carried in the bill and then permit the increase in the Children's Bureau appropriation for administering maternal and child-health services, services for crippled children, and child-welfare services to be reduced from \$925,500, the figure which is already in the bill with the approval of the committee, to \$325,000, which the Senator from Minnesota now proposes, the effect of which Dr. Eliot says would be to make it absolutely impossible for the Children's Bureau properly to administer the increased appropriations which we have made available.

I hope that the amendment of the Senator from Minnesota will not be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. BALL] to the committee amendment on page 9, line 2. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. WAGNER. I have a general pair with the Senator from Kansas [Mr. REED]. Not knowing how he would vote, I transfer that pair to the Senator from Missouri [Mr. BRIGGS]. I am not advised how the Senator from Missouri would vote on this question if present. Being at liberty to vote, I vote "nay."

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] is absent because of illness.

The Senator from Nevada [Mr. CARVILLE] is absent by leave of the Senate.

The Senator from Virginia [Mr. BURCH], the Senator from Rhode Island [Mr. GERRY], the Senator from Georgia [Mr. RUSSELL], the Senator from Tennessee [Mr. STEWART], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

The Senator from New York [Mr. MEAD] is detained on official business.

The Senator from Missouri [Mr. BRIGGS], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. RADCLIFFE] are detained on public business.

The Senator from New Mexico [Mr. HATCH] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Louisiana [Mr. ELLENDER] and the Senator from Maryland [Mr. TYDINGS] are absent on official business, having been appointed to the com-

mission on the part of the Senate to participate in the Philippine independence ceremonies.

If present and voting, the Senator from West Virginia [Mr. KILGORE] and the Senator from New York [Mr. MEAD] would vote "nay."

Mr. WHERRY. The Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], the Senator from New Jersey [Mr. HAWKES], the Senator from Kansas [Mr. REED], the Senator from Kentucky [Mr. STANFILL], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from Vermont [Mr. AIKEN], the Senator from Illinois [Mr. BROOKS], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Indiana [Mr. CAPEHART], the Senator from Wyoming [Mr. ROBERTSON], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Nebraska [Mr. BUTLER] is absent on official business, being a member of the commission appointed to attend the Philippine independence ceremonies.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business as a member of the Special Committee on Atomic Energy.

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Iowa [Mr. WILSON] is absent on official business.

The Senator from Michigan [Mr. FERGUSON] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The result was announced—yeas 18, nays 39, as follows:

YEAS—18

Austin	George	Overton
Ball	Gurney	Revercomb
Bridges	McClellan	Taft
Byrd	McKellar	Vandenberg
Capper	Millikin	Wherry
Cordon	Moore	White

NAYS—39

Andrews	Hoey	Murdock
Barkley	Huffman	Murray
Bilbo	Johnson, Colo.	Myers
Chavez	Johnston, S. C.	O'Daniel
Donnell	Knowland	Pepper
Downey	La Follette	Smith
Eastland	Langer	Swift
Fulbright	McFarland	Taylor
Gossett	McMahon	Thomas, Okla.
Green	Magnuson	Thomas, Utah
Guffey	Maybank	Tunnell
Hayden	Mitchell	Wagner
Hill	Morse	Walsh

NOT VOTING—39

Aiken	Ferguson	Robertson
Bailey	Gerry	Russell
Brewster	Hart	Saltonstall
Briggs	Hatch	Shipstead
Brooks	Hawkes	Stanfill
Buck	Hickenlooper	Stewart
Burch	Kilgore	Tobey
Bushfield	Lucas	Tydings
Butler	Mccarran	Wheeler
Capehart	Mead	Wiley
Carville	O'Mahoney	Willis
Connally	Radcliffe	Wilson
Ellender	Reed	Young

So Mr. BALL's amendment to the committee amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the joint resolution.

Mr. BRIDGES. Mr. President, on page 7 of the joint resolution the amount of \$26,000,000 is provided for the Office of Price Administration. The Senate will recall that when the OPA appropriation was before us, in the regular bill, we appropriated \$56,650,000. In the conference, the appropriation for the Office of Price Administration was increased to \$75,000,000. When it was increased to \$75,000,000 it was thought that that would be sufficient to carry the OPA beyond the first of the coming year.

But now the Office of Price Administration requests an additional \$26,000,000, which would make a total of \$101,000,000. The OPA now says that the \$75,000,000 will last only until some time in November of this year, and that it will need \$26,000,000 more in order to continue its operations to February 15 of next year.

So, Mr. President, now we find that instead of reducing the appropriations for OPA and cutting down its scale of operations, the reverse is occurring, or at least an attempt is being made to have it occur. It should be very clear even to the unbelievers that an attempt is being made to build up the staff of the OPA and to increase the expenditures to be made by the OPA although there was some question whether it would be continued at all.

Now there is a question in my mind and in the minds of others whether there should be a process of gradual liquidation and whether, instead of requesting more money, the OPA should be requesting less money.

So I believe that there is no justification for the proposed increase of \$26,000,000 in addition to the \$75,000,000 which was agreed upon in the conference. I think there is no justification at this time for the proposed increase. I think we should leave the matter as it is until the first of the year. Then, if a deficiency appropriation is justified, it could be requested at that time.

Therefore, I move, as an amendment, that lines 13 to 18, inclusive on page 7, be stricken out.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. HAYDEN. Of course, the Senator is aware that the request of the Office of Price Administration, as made to the Bureau of the Budget, was, if I correctly recall, approximately \$138,000,000 for the year.

Mr. McKELLAR. It was \$142,200,000.

Mr. HAYDEN. Very well; I was guessing at the amount. That request was reduced to \$106,000,000 by the estimate of the Bureau of the Budget. Then we reduced it, as the Senator has said, on the assumption that the OPA was going out of business.

The testimony before the committee at this time is that new duties have been

imposed upon that agency. I say that if we look at the matter from the point of view of businessmen, and when we consider that under the present price arrangements there must be allowances for increased costs, and other things, if proper service is to be furnished the business public, we must provide for sufficient personnel in the OPA to do the job. That is the way the House of Representatives looked at the matter, and that is the way our committee has looked at it. It is a sound business proposition to carry it on in exactly that manner.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. BRIDGES. I yield.

Mr. McKELLAR. I simply wish to give the reasons why the amount was recommended by the committee. The original estimate of appropriation for this activity was presented on June 11, 1946. The amount was \$142,200,000. At that time continuing legislation was pending. Money needs could not be foretold. The committee, therefore, reduced the estimate to \$106,650,000, with the thought that such amount would be adequate to support the activity under any continuing legislation until the Congress would have opportunity to provide supplemental funds, if necessary, after December next. It will thus be seen that the appropriation of the smaller amount was to carry over until December next.

In conference, agreement was reached upon an appropriation of \$75,000,000, with a view to later supplementation, and that is the amount included in the Third Deficiency Appropriation Act, 1946. The committee now is advised that the agency will not be able to function as contemplated by the continuing legislation within the appropriation heretofore made in the interim between July 1, 1946, and the time it would be practicable to provide a supplemental appropriation after next December. To carry it up to February 15 it estimates that it must have an additional appropriation of \$26,000,000, or a total for the 7½-month period of \$101,000,000. The committee's further study of the matter has convinced it that the agency is right, and that it would not be able efficiently or effectively to discharge its duties under the continuing legislation between now and the time the next Congress might be expected to provide a supplemental appropriation, unless this additional appropriation is now made. It contemplates an expenditure rate that would make appropriation requirements for the whole of the fiscal year approximately \$4,200,000 less than the original estimate presented in late June.

Under these circumstances, it seems to the committee that we should stand by this item.

Mr. WHERRY. Mr. President, will the Senator yield to me?

Mr. BRIDGES. I yield.

Mr. WHERRY. I should like to ask the distinguished Senator from Tennessee if the limitations which apply to the other bill apply also to this appropriation, namely, that none of it shall be spent for propaganda purposes.

Mr. McKELLAR. It is exactly the same.

Mr. WHERRY. That limitation is in full force and effect, is it?

Mr. McKELLAR. Yes; it is in full force and effect.

Mr. WHERRY. I should like to ask whether it is true that the OPA had 38,000 or more employees and that the amount requested was approximately \$142,000,000 or \$145,000,000 when the regular appropriation bill first came to the Senate?

Mr. McKELLAR. The amount requested was \$142,000,000.

Mr. WHERRY. Yes. At that time it was contended that because of the decontrols which no doubt would take place in the administration of the OPA, it would not be necessary to continue that much of a staff or appropriations in so large an amount, because if the bill Congress first passed had been enacted into law, not that much money would have been needed.

Mr. McKELLAR. Quite to the contrary, Mr. President, let me say that the decontrol legislation was not contemplated in the original bill. The additional expense incident to the decontrol legislation is provided for in connection with this \$26,000,000.

Mr. WHERRY. I am speaking of the first bill which was passed by the Senate. At that time it was contended by those who wished to reduce these appropriations and it was stated in the showing made before the committee that it would not be necessary for the OPA to have during this year the amount appropriated in the preceding year, or to continue its 38,000 employees. So we reduced the requested \$142,000,000 appropriation to \$101,000,000. Then, when the matter went back to the House, the House reduced it to \$50,000,000. Is not that correct?

Mr. McKELLAR. Yes. And in the conference the sum of \$75,000,000 was fixed upon, for the operations of the OPA until the beginning of the next year.

Now it is supposed that the Congress will not meet until January, after it adjourns, and, of course, in view of the decontrol and other systems which are set up, it is necessary to have an additional amount of money.

Although, as everyone knows, I am not too strongly in favor of the OPA, and although I have my doubts about the efficacy of it, nevertheless the Congress has directed this organization to be continued, and it seems to me that the amount proposed to be appropriated should be provided.

Mr. WHERRY. Mr. President, inasmuch as the distinguished Senator has answered the questions I have asked him, I am more positive than ever that the proper way to proceed is not to appropriate the additional \$26,000,000 which is requested. I am convinced that we should let the OPA continue with the \$75,000,000 which has been granted. It is my understanding that the Decontrol Board does not get its money from the OPA. So the plea that the \$26,000,000 will be needed for that purpose is certainly aside from the point.

I should like to say, further, that I talked to some of the OPA officials just this morning, and they told me they had suggested the decontrol of \$4,000,000,000

worth of products that did not even come under the Decontrol Board. They, themselves, said that they have suggested the decontrol of those products, and that they are expecting to continue the decontrols.

So, from now until the first of the year, if the OPA does the kind of job which the proponents of the measure said it would do, instead of needing an increased staff and increased appropriations, there should be reductions in the staff and no need for increased appropriations. We have been told time and time again that the OPA would be reduced, and that it would fold up as soon as possible and that decontrols would be made as soon as possible. However, instead of doing that, now we are told that the OPA needs not only the \$75,000,000 which we provided in a previous bill, but an additional \$26,000,000; and by the time the next Congress convenes, the OPA will need another deficiency appropriation, no doubt, to pay for some other activities it will attempt to add.

Mr. President, I am a member of the Appropriations Committee, and I heard the testimony. I say that the \$75,000,000 is sufficient to enable the OPA to function until the new Congress convenes. At that time, if the OPA needs more money in order to be able to enforce the law or to carry out any of the other functions committed to it, I shall be the first Senator to urge an additional appropriation. But in the meantime, I think the Senate should accept at face value the suggestions and arguments of the proponents of the OPA measure, and should depend upon the OPA to decontrol, rather than to control everything it can get its hands on.

Mr. President, I shall oppose the request for the additional appropriation of \$26,000,000. I am not sure whether an amendment to strike out the requested \$26,000,000 has been offered. If not, I now propose that the figure "\$26,000,000" be stricken.

Mr. McKELLAR. Mr. President, the Senator from New Hampshire [Mr. BRIDGES] has already made such a motion.

Mr. WHERRY. Very well.

Mr. BRIDGES. Yes; I have made a motion to strike it out.

Mr. CORDON. Mr. President, I regret that I disagree with my colleagues on this side of the aisle in connection with this particular reduction in Federal expenditure. It seems to me that logic should take us the other way. I think the record is clear with reference to the position I took on the subject of decontrolling materials and commodities which the Congress could ascertain were in long supply. We decontrolled them. We were required to accept the best compromise which could be made in conference. But in doing so, Mr. President, we did not say to OPA, "Now, as to these items, you may not have any power or control." We said, "You must determine the fact of whether they must or must not be controlled." We provided for a Decontrol Board, but it can do no more than issue orders. Without knowing the fact, I suspect that the Decontrol Board will have to turn to OPA for its

factual data. If the constant study which we have directed that agency to make is to be made intelligently—we must assume, however violently the assumption may be, that OPA will at last follow the law—then we must realize that there will have to be a force within that department sufficient in size to continue the study of prices, production, and so forth, throughout all the months in which OPA continues to be in existence. I see no other way in which to do properly the job which we have directed shall be done. In other words, Mr. President, if we cut off the appropriations we will not decontrol prices but we will decontrol OPA. On the one hand, we say to the OPA, "You must do the job" and on the other hand we say, "You cannot do it." That is an illogical situation.

Mr. President, I do not know whether the \$26,000,000 additional amount is adequate; but, if we assume that the \$75,000,000 was proper under the law which we expected to be administered, under which certain major commodities were to be decontrolled by the Congress, and that the OPA could look forward to the fact that they had nothing more to do in this field, certainly the \$26,000,000 would be proper for the purpose of carrying the work of OPA forward into the next year.

If I happen to be a member of the Appropriations Committee next year when the time arrives for the consideration of the deficiency appropriation necessary to carry on the work of OPA until June, I shall at least do what I can in order to determine whether the OPA has so functioned and has handled its personnel so as to justify whatever estimate may be requested at that time for the remainder of the fiscal year. I believe that the Appropriations Committee will then still have an opportunity to see that the funds now appropriated, which will be continuing funds, are wisely spent.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I have the floor.

Mr. CORDON. Mr. President, I merely wish to call attention to the fact that under the law as it now is, the Secretary of Agriculture makes a finding every 30 days with reference to the supply of agricultural commodities. Based upon such finding those commodities are controlled or decontrolled. An adequate force to handle all those details must be available, and, of course, it cannot be picked up in a minute. The involved type of legislation which was enacted into law is responsible for the fact that the OPA, at least up to the first of next year, must maintain almost as complete an organization as it had when its power of control over prices was absolute and extended to every type of commodity.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. JOHNSON of Colorado. I should like to ask the distinguished Senator from Oregon if his position is that he does not want to give the OPA an alibi for failure. He wants to see that they are provided with sufficient funds so that they may not come to Congress and say, "Yes, you continued us but you would not give us

the necessary tools to do the work, and so we had to fail."

Mr. CORDON. If we fail to give them the necessary money, what the Senator has suggested may turn out to be true. We ourselves have put that organization in a position where its findings of fact cover such a vast number of commodities that they must maintain a large staff in order to do the job the Congress has directed them to do.

Mr. JOHNSON of Colorado. And if we deny them the funds now, they will have a perfect alibi if they fail.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. WHERRY. I should like to say that OPA always has a perfect alibi. I should like to know when they have not had a perfect alibi.

Mr. President, I suggest to the distinguished Senator from New Hampshire that only this morning I talked with an official of the OPA. In view of what has been said by the distinguished Senator from Oregon that we must appropriate the necessary funds for the OPA to study the items in which there will be either a long or short supply, I may say that the official to whom I have referred told me it was a physical impossibility for the OPA to make those studies. He said that the only studies they contemplated making were those in connection with applications which might be filed. He said the OPA would depend primarily on the Department of Agriculture to make those studies, and if the Department of Agriculture said that commodities were in long or in short supply, the OPA would act accordingly.

Mr. President, this proposal is only another method on the part of the OPA to have Congress slip in a \$35,000,000 or \$50,000,000 appropriation for personnel. The record of the OPA does not justify the Congress in giving them one more dime than the Congress decided to give when the matter was taken up and considered carefully by the committee in the first instance, and when they were granted \$75,000,000. If the OPA needs more money at the beginning of next year, let them come to Congress and ask for it. If they run out of money in the meantime, they will get along. Senators do not need to worry about the OPA. The OPA will get along. They always have gotten along.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HAYDEN. The Senator said that the OPA would act on applications. When a constituent of mine makes an application to the OPA and I try to get action on it, I cannot get it because of a lack of OPA personnel. At least, that is what I am told. I do not intend to let them continue to have that alibi.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HAYDEN. No; I obtained my time from the Senator from New Hampshire.

The situation is just as the Senator from Oregon [Mr. CORDON] has so ably pointed out. We have imposed new duties on the OPA. The money which

was furnished the OPA was because of the testimony given before the committee that the work of the OPA would end this coming fall. I think the correct thing to do is to approve the amount of money which the House has voted for.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. WHERRY. The Decontrol Board sets up the plans, formulas, policies, and personnel staff relative to the decontrol appeals which are made to them when applications to the OPA are denied. So the personnel of the OPA is not required in handling such matters. The Decontrol Board has its own personnel.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CORDON. I merely wanted to call the attention of the Senator to the fact that the Decontrol Board appropriation in this bill is \$250,000. Of course the provision of the law giving not only power but responsibilities of that Board in decontrolling in all fields, certainly contemplates that the Board shall have all statistical and factual data necessary upon which to act. I think that we must assume that the work will have to be done by OPA under the direction of the Board.

Mr. WHERRY. The applicants are the ones who spend the money. They are the ones who make the showing. I talked this morning to an official of the OPA about an application from broom manufacturers. He said that the OPA would depend entirely on whether the Department of Agriculture decontrolled broom corn. He said that if the Department of Agriculture determined not to control broom corn, the OPA would not control prices. So they will not make any investigation at all. Their work depends on the investigation which is made by the Department of Agriculture, and that Department has its own appropriation. The only thing the Decontrol Board does is to pass in review on the application. The persons who will spend the money and try to obtain relief will be the applicants themselves. When they go before the Department of Agriculture with a question involving agricultural production, of course that Department has its own personnel. When it comes to a question of price control, of course the OPA has to make a review.

Senators may vote to grant the OPA what they desire, but I make the assertion that they can get along with the personnel they have now, and all this money is just so much gravy given to the OPA. That is all it amounts to. They will do just as good a job with what they have now as with \$26,000,000 more, and if Senators do not believe that, let them consider the record of the past.

The distinguished Senator who has just spoken said:

Let us give them the money so that they can function, and bring the applications up to date.

What has OPA done in the past when they had 68,000 employees? Their record bears me out.

Mr. BRIDGES. Mr. President, the issue is very simple. We have appropriated \$75,000,000, which we assumed, and which we were led to believe, would carry over until after the first of the year, and if at that time OPA is in existence, it can come before the Congress and ask for a deficiency appropriation.

Now they say that \$75,000,000 is not sufficient to carry them to February 1, and that they need \$26,000,000 more to carry them to February 15. I do not think there will be any great hardship on the country if this increase is not granted, and I do not see why \$75,000,000 is not sufficient funds to enable them to administer the law effectively and efficiently for slightly more than half a year. Taking into consideration what they have spent in the past and the fact that this agency is supposedly on the way out and will be out by the end of the year, it certainly would appear to be adequate.

On this question I am going to ask for the yeas and nays, and I ask at this time for a quorum.

The PRESIDING OFFICER. Is the demand for the yeas and nays sufficiently seconded?

The yeas and nays were ordered.

Mr. RUSSELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Andrews	Hill	O'Daniel
Austin	Hoey	O'Mahoney
Ball	Huffman	Overton
Barkley	Johnson, Colo.	Pepper
Bilbo	Johnston, S. C.	Revercomb
Bridges	Knowland	Russell
Byrd	La Follette	Smith
Capper	Langer	Swift
Chavez	McClellan	Taft
Connally	McFarland	Taylor
Cordon	McKellar	Thomas, Okla.
Donnell	McMahon	Thomas, Utah
Eastland	Magnuson	Tunnell
Ferguson	Maybank	Vandenberg
Fulbright	Millikin	Wagner
George	Mitchell	Walsh
Green	Moore	Wherry
Guffey	Morse	White
Gurney	Murdock	Wiley
Hart	Murray	
Hayden	Myers	

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Sixty-one Senators having answered to their names, a quorum is present.

The question is on the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] to strike out lines 13 to 18 on page 7 of the bill, being the provision relating to the OPA.

Mr. GURNEY. It is my firm conviction, after listening to the testimony in the Appropriations Committee, that the \$75,000,000 which OPA now has is more than sufficient to enable it to carry on until probably February or March of next year. We all know that many items have been decontrolled, first by the OPA itself, and now we have set up a Decontrol Board which will decontrol many other items. Therefore we know that there is not so great a task facing OPA as it had facing it prior to July 1 of this year. OPA used one-hundred-and-forty-odd-million dollars last year. Therefore \$75,000,000, in my opinion, is

more than sufficient to carry OPA for the first 8 months of the new fiscal year.

I believe for the good of the country it would be well for us not to give OPA any more money now, and then when Congress returns in January, have the Appropriations Committee call the OPA officials before it and ask, "What kind of a job have you done? How many employees do you have on the pay roll now? What job have you got to do from January or February on for the remainder of the fiscal year until June 30?" Certainly OPA can get along on the \$75,000,000 already appropriated. That will take care of OPA until the time Congress reconvenes, and then I think Congress should say "If you have done a good job, if you have operated efficiently, we will give you more money." If OPA has not done a good job, if it has not done its work efficiently, we should withhold any further funds. But let us wait and take a look at the situation after the first of the year. I am definitely in favor of the amendment to strike the proposed appropriation of \$26,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire [Mr. BRIDGES] to strike out lines 13 to 18 on page 7. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. WAGNER (when his name was called). Mr. President, I have a general pair with the Senator from Kansas [Mr. REED]. Not knowing how he would vote, I transfer that pair to the Senator from Missouri [Mr. BRIGGS]. I am not advised how the Senator from Missouri would vote if present. Being at liberty to vote, I vote "nay."

The roll call was concluded.

Mr. WAGNER. I announce that my colleague, the junior Senator from New York [Mr. MEAD] is detained on official business. If present he would vote "nay."

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] is absent because of illness.

The Senator from Nevada [Mr. CARVILLE] is absent by leave of the Senate.

The Senator from Virginia [Mr. BURCH], the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. GERRY], the Senator from Idaho [Mr. GOSSETT], the Senator from Tennessee [Mr. STEWART], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. RADCLIFFE] are detained on public business.

The Senator from Virginia [Mr. BYRD] is absent on official business.

The Senator from New Mexico [Mr. HATCH] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Louisiana [Mr. ELLENDER], and the Senator from Maryland

[Mr. TYDINGS] are absent on official business, having been appointed to the Commission on the part of the Senate to participate in the Philippine independence ceremonies.

If present and voting, the Senator from West Virginia [Mr. KILGORE] would vote "nay."

Mr. WHERRY. The Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], the Senator from New Jersey [Mr. HAWKES], the Senator from Kansas [Mr. REED], the Senator from Kentucky [Mr. STANFILL], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from Vermont [Mr. AIKEN], the Senator from Illinois [Mr. BROOKS], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Indiana [Mr. CAPEHART], the Senator from Wyoming [Mr. ROBERTSON], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Nebraska [Mr. BUTLER] is absent on official business, being a member of the Commission appointed to attend the Philippine independence ceremonies.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business as a member of the Special Committee on Atomic Energy.

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Iowa [Mr. WILSON] is absent on official business.

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The result was announced—yeas 14, nays 46, as follows:

YEAS—14

Ball	Hart	Taft
Bilbo	Langer	Wherry
Bridges	Millikin	White
Capper	Moore	Wiley
Gurney	O'Daniel	

NAYS—46

Andrews	Huffman	O'Mahoney
Austin	Johnson, Colo.	Overton
Barkley	Johnston, S. C.	Pepper
Chavez	Knowland	Revercomb
Connally	La Follette	Russell
Cordon	McClellan	Smith
Donnell	McFarland	Swift
Eastland	McKellar	Taylor
Ferguson	McMahon	Thomas, Okla.
Fulbright	Magnuson	Thomas, Utah
George	Maybank	Tunnell
Green	Mitchell	Vandenberg
Guffey	Morse	Wagner
Hayden	Murdock	Walsh
Hill	Murray	
Hoey	Myers	

NOT VOTING—36

Aiken	Downey	Reed
Bailey	Ellender	Robertson
Brewster	Gerry	Saltonstall
Briggs	Gossett	Shipstead
Brooks	Hatch	Stanfill
Buck	Hawkes	Stewart
Burch	Hickenlooper	Tobey
Bushfield	Kilgore	Tydings
Butler	Lucas	Wheeler
Byrd	McCarran	Willis
Capehart	Mead	Wilson
Carville	Radcliffe	Young

So Mr. BRIDGES' amendment was rejected.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 390) was read the third time and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, Mr. RUSSELL, Mr. OVERTON, Mr. THOMAS of Oklahoma, Mr. BRIDGES, Mr. GURNEY, and Mr. BALL conferees on the part of the Senate.

COMPARISON OF ANNUAL EXPENDITURES BY THE UNITED STATES GOVERNMENT AND OTHER GOVERNMENTS OF THE WORLD

Mr. McKELLAR. Mr. President, while we are speaking of appropriations, let me say that I was first appointed to the Senate Appropriations Committee on December 10, 1923, at the beginning of the Sixty-eighth Congress. At that time the expenditures of the Government were a total of a little more than \$3,000,000,000. During my service on the Appropriations Committee the expenditures of the Government finally reached in 1945 an all-time peak of \$100,000,000,000 as a result of our tremendous war program.

As to our world position on expenditures, while we occupy as a nation about 6 percent of the area of the world, and while we have a population of about 6 percent of the world's population, yet the figures show that as of 1944 the United States Government expended \$93,000,000,000, as against about \$135,000,000,000 for the rest of the world, or 40 percent of the world's budget.

The 1944 figure for Russia is \$48,000,000,000. This is due to the fact that there is a joint budget of the Union and the republics making up that Union. It would be the same as our adding the budgets of all the 48 States to the budget of the National Government. If we did that we would add about six billions to the ninety-three billions for the year 1944.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table showing a comparison of total yearly expenditures by the United States Government and other governments of the world. I invite the attention of Senators to the fact that during the past 7 years the United States appropriated approximately 40 percent of all the money appropriated by all the governments in the world. I think this table will furnish valuable information for Senators.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison of total yearly expenditures by the United States Government with other governments of the world¹

[Values shown in millions of United States dollars]

Government	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946
United States.....	6,011	7,583	9,068	8,280	7,304	8,765	9,127	12,775	32,492	78,182	93,744	100,404	65,018
American Republics:													
Argentina.....					397	456	393	407	454	524	498	421	
Bolivia.....					11	11	14	24	21	29	29		
Brazil.....					243	253	314	330	384	395	449	558	
Chile.....						92	114	142	157	204	231	245	
Colombia.....					54	59	75	61	79	85	88	98	
Costa Rica.....						6	8	9	11	14	27		
Cuba.....				73		76	71	75	105	111	148	140	
Dominican Republic.....					12	12	12	13	15	13	16		
Ecuador.....				6	9	9	7	8	9	12	14	26	
Guatemala.....					11	14	11	10	11	13	17	15	
Haiti.....					6	6	7	7	6	6	8	7	
Honduras.....					6	6	6	6	6	6	6	6	
Mexico.....					140	116	122	160	207	170	227	261	
Nicaragua.....					4	8	5	6	8	8	9	11	
Panama.....					11	11	13	18	22	27	26		
Paraguay.....				6	8	6	10	6	11	8	10		
Peru.....					55	42	38	51	63	66	71	84	
Salvador.....					9	12	10	9	11	10	12		
Uruguay.....					58	60	66	71	74	77	90		
Venezuela.....					97	113	120	101	96	92	108	111	
Total, American Republics.....						1,364	1,413	1,514	1,750	1,870	2,064		

Footnotes at end of table.

Comparison of total yearly expenditures by the United States Government with other governments of the world—Continued

Government	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946
British Commonwealth:													
Australia					342	351	523	825	1,364	2,252	2,323	2,216	
Canada					522	544	596	1,135	1,714	3,987	4,874	4,684	
India						424	378	478	565	1,281	1,427	1,691	1,559
Newfoundland					14	15	17	16	16	23	23	24	
New Zealand						175	250	285	394	645	751	660	
Union of South Africa						194	190	489	521	644	708	729	752
United Kingdom						5,357	8,915	16,022	19,725	23,161	23,865	24,978	22,916
Total British Commonwealth						7,060	10,869	19,250	24,299	31,986	33,971	34,982	
Other countries:													
Albania					9	9	13	11	15	24	20		
Austria		293	290								20		
Belgium				2,409	2,388	2,690	4,228	3,333	3,386	3,647	3,473		
Bulgaria					86	99	115	200	343	265	309		
China			232	223	280	459					200		
Czechoslovakia				315	346			117	130	159	198	200	
Danzig						15	16				20		
Denmark						133	161	203	299	353	407	253	218
Egypt						194	166	167	207	234	298	317	359
Estonia						28	28	28			20		
Finland						151	398	632	556	679	324	353	
France				1,696	1,679	4,156	3,949	5,512	6,070	8,686	7,584	7,993	
Germany		3,068			6,718	11,443	17,904	26,036			2,800		
Greece					122	109	101	173	203		200		
Hungary					408	502	1,174	1,102	1,670	1,219	1,778		
Iran					78	89	136	186	220	102	141		
Iraq						36	33	40	35	47	59	72	67
Ireland					178	239	214	159	196	182	185	205	
Italy					2,137	2,242	3,512	6,325	6,011	7,429	7,504	6,544	
Japan						2,128	2,007	2,653	4,615	6,159	9,718	13,636	
Latvia					34	35	68				20		
Lithuania						60	72				20		
Luxemburg					15	15	16				20		
Netherlands			541	558	1,519	650	628				2750		
Netherlands Indies					354	379	407	468			2500		
Norway						143	156	188			200		
Poland				417	445	464	475	241	467	598	806	837	
Portugal						103	88	107	120	162	151	159	
Rumania					222	242	278	251	280	556	884	1,283	
Spain	573	583				537	687	577	891	1,398	1,182	1,201	
Sweden						380	694	922	972	1,073	1,100	1,160	
Switzerland					153	234	373	430	373	600	481	559	
Thailand					47	70	68	75	90	103	126		
Turkey					248	244	315	401	444	695	707	725	
Union of Soviet Socialist Republics ¹					22,940	28,324	32,052	39,970		38,850	48,655	56,472	
Yugoslavia					256	269	271	331	322	599	860		
Total other countries											97,120		

For the year 1944, the comparison totals as follows:

United States	93,744
American Republics	2,064
British Commonwealth	33,971
Other countries	97,120
World total	226,899

¹ Based on table 106, Summary of Budget Accounts, in the Statistical Yearbook of the League of Nations for 1940-41 and 1942-44; and made comparable by computing the value of currencies in United States cents from table 96, Exchange Rates, in the same publication.

² Estimated for comparative purposes.

³ Joint budget of the Union and the Republics. (If the general expenditures of all State governments were included with the U. S. Government figures, it would add \$5,959,000,000 to the 1944 total of \$93,744,000,000.)

NOTE.—The yearly totals given for the United States are the official figures from the Treasury Department. As to the other countries, the methods of accounting and reporting on expenditures and the periods covered vary so widely as to preclude exact comparisons. This table is merely for the purpose of giving a general summary of world budgets from the most reliable information available.

RATE OF POSTAGE ON DOMESTIC AIR MAIL—CONFERENCE REPORT

Mr. CHAVEZ submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5560) to fix the rate of postage on domestic air mail, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 2.

DENNIS CHAVEZ,
KENNETH McKELLAR,
CARL HAYDEN,
WILLIAM LANGER,

Managers on the Part of the Senate.

PHILIP A. TRAYNOR,
JOHN C. BUTLER,
GEORGE D. O'BRIEN,
WILLIAM C. COLE,

Managers on the Part of the House.

Mr. CHAVEZ. Mr. President, I ask for the immediate consideration and adoption of the conference report,

Mr. TAFT. What rate was agreed upon?

Mr. CHAVEZ. Five cents.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the conference report was considered and agreed to.

Mr. WHITE subsequently said: Mr. President, I understand that earlier in the day a conference report dealing with air-mail postage rates was agreed to. The rate on air-mail postage was reduced to 5 cents an ounce. I was asked by the junior Senator from Kansas [Mr. REED] to announce to the Senate when the conference report was considered that he was opposed to the 5-cent rate, and was opposed to the conference report. I make that statement in his behalf.

KARL E. BOND—CONFERENCE REPORT

Mr. THOMAS of Utah obtained the floor.

Mr. WHERRY. Mr. President, will the

Senator yield for the submission of a conference report?

Mr. THOMAS of Utah. Mr. President, I should like to make a brief statement. We have been waiting to clear the right-of-way for Senate Resolution 196. I have told 15 or 16 Senators that I could not yield until the legislative situation had been straightened out and the opening statement about the World Court had been made. Then I shall be glad to yield to any Senator.

I move that the Senate proceed to the consideration of Senate Resolution 196.

Mr. WHERRY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. I have ready for submission a conference report. It is non-controversial. Am I not entitled to recognition for that purpose at this time?

The PRESIDING OFFICER. Does the Senator from Utah yield for that purpose?

79TH CONGRESS
2^D SESSION

H. J. RES. 390

IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 1946

Ordered to be printed with the amendments of the Senate numbered

JOINT RESOLUTION

Making additional appropriations for the fiscal year 1947, and
for other purposes.

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to provide
5 additional appropriations for the fiscal year ending June 30,
6 1947, and for other purposes, namely:

7 TITLE I—GENERAL APPROPRIATIONS

8 LEGISLATIVE

9 (1) SENATE

10 *To enable the Secretary of the Senate to make the addi-*
11 *tional disbursements and to perform the additional duties and*

1 *functions required of his office by reason of the enactment of*
 2 *the Legislative Reorganization Act of 1946, fiscal year 1947,*
 3 *\$173,667; and he is hereby authorized to allocate necessary*
 4 *portions of the said sum to the various Senate appropriations*
 5 *and to make transfers between same, including those con-*
 6 *tained in the Legislative Branch Appropriation Act for the*
 7 *fiscal year 1947 and those provided for in the said Reor-*
 8 *ganization Act: Provided, however, That the positions and*
 9 *funds now allocated to any Senator or to any standing com-*
 10 *mittee chairman shall be continued until March 31, 1947,*
 11 *unless otherwise directed by the Senator or the chairman.*

12 **(2)ADMINISTRATIVE ASSISTANTS TO SENATORS**

13 *For compensation of an administrative assistant to each*
 14 *Senator, to be appointed by him, at a base salary of not to*
 15 *exceed \$8,000 per year, to assist him in carrying out his*
 16 *departmental business and other duties, fiscal year 1947,*
 17 *\$384,000, or so much thereof as may be necessary, to be*
 18 *available at the beginning of the Eightieth Congress.*

19 **(3)SENATE POLICY COMMITTEE**

20 *For maintenance of a staff for a majority policy commit-*
 21 *tee and a minority policy committee in the Senate, consisting*
 22 *of seven members each, for the formulation of over-all legisla-*
 23 *tive policy of the respective parties, the members of such staffs*
 24 *to assist in study, analysis, and research on problems involved*
 25 *in policy determinations, and to be appointed, and their*

1 compensation fixed, by the policy committee concerned, at
 2 rates not to exceed \$8,000 per annum in any case, \$15,000
 3 for each such committee, in all, fiscal year 1947, \$30,000,
 4 to be available at the beginning of the Eightieth Congress.

5 **(4)CONTINGENT EXPENSES OF THE SENATE**

6 **(5)**For purchase, exchange, driving, maintenance, and
 7 operation of two automobiles, one for the majority leader
 8 of the Senate and one for the minority leader of the Senate,
 9 fiscal year 1947, \$13,000.

10 **(6)**For an additional amount for expenses of inquiries and
 11 investigations ordered by the Senate, including compensa-
 12 tion to stenographers of committees, at such rate as may be
 13 fixed by the Committee to Audit and Control the Contingent
 14 Expenses of the Senate, but not exceeding 25 cents per
 15 hundred words, fiscal year 1947, \$150,000: Provided, That
 16 no part of this appropriation shall be expended for per diem
 17 and subsistence expenses except in accordance with the pro-
 18 visions of the Subsistence Expense Act of 1926, approved
 19 June 3, 1926, as amended.

20 **(7)OFFICE OF SERGEANT AT ARMS AND DOORKEEPER**

21 For an amount necessary to increase salaries in the
 22 Senate Press Gallery, beginning July 1, 1946, as follows:
 23 Superintendent from \$3,660 to \$3,820; one assistant super-
 24 intendent from \$3,000 to \$3,200; and one assistant super-
 25 intendent from \$1,920 to \$2,100; in all, fiscal year 1947,

1 \$540; and the Legislative Branch Appropriation Act for the
 2 fiscal year 1947 hereby is amended accordingly.

3 HOUSE OF REPRESENTATIVES

4 Salaries and expenses, Office of the Clerk: Subject to
 5 the approval of the chairman of the Committee on Accounts
 6 (Committee on House Administration, if and when elected),
 7 the Clerk of the House of Representatives is authorized,
 8 until February 15, 1947, to incur such expenses for personal
 9 services and for supplies and materials as may be neces-
 10 sary to enable him to discharge the additional duties imposed
 11 upon him by S. 2177, Seventy-ninth Congress, and to
 12 charge such expenses to the contingent fund of the House:
 13 *Provided*, That this authority is subject to the enactment
 14 into law of such S. 2177.

15 (8) *Contingent expenses, folding documents: For an addi-*
 16 *tional amount for folding speeches and pamphlets, at a rate*
 17 *not exceeding \$1 per thousand or for the employment of*
 18 *personnel at a rate not to exceed \$5.20 per day per person,*
 19 *fiscal year 1947, \$15,000.*

20 (9) JOINT COMMITTEE ON PRINTING

21 *Biographical Congressional Directory: To enable the*
 22 *Secretary of the Senate to pay, upon vouchers approved by*
 23 *the chairman or vice chairman of the Joint Committee on*
 24 *Printing, for compiling and preparing a revised edition of*
 25 *the Biographical Directory of the American Congress*

1 (1774-1948) as provided for in House Concurrent Reso-
2 lution Numbered 163, adopted July 26, 1946, \$50,000;
3 and said sum or any part thereof, in the discretion of the
4 chairman or vice chairman of the Joint Committee on Print-
5 ing, may be paid as additional compensation to any employee
6 of the United States, and shall continue to be available until
7 expended.

8 (10) JOINT COMMITTEE ON THE ECONOMIC REPORT

9 For salaries and expenses of the Joint Committee on
10 the Economic Report created by section 5 of Public Law
11 Numbered 304, Seventy-ninth Congress, entitled "An Act
12 to declare a national policy on employment, production, and
13 purchasing power, and for other purposes", approved
14 February 20, 1946, fiscal year 1947, \$50,000.

15 EXECUTIVE OFFICE OF THE PRESIDENT

16 ARMED FORCES LEAVE PAYMENTS

17 Payments under the Armed Forces Leave Act of 1946;
18 For all expenses necessary to enable the President through
19 the Treasury, War, and Navy Departments to carry out the
20 provisions of the Armed Forces Leave Act of 1946, includ-
21 ing cash payments to members and former members of the
22 armed forces, payments to the Treasurer of the United
23 States of amounts representing the face value of bonds issued
24 to such servicemen, and administrative expenses until June
25 30, 1948, including printing and binding, penalty mail costs,

1 and personal services in the District of Columbia and else-
2 where without regard to section 14 (a) of the Federal
3 Employees Pay Act of 1946, \$2,431,708,000, to be avail-
4 able (except as to administrative expenses) until expended
5 and for allocation to said departments by transfer to and
6 merger with appropriations thereof or otherwise, in such
7 amounts respectively as may be determined by the Director
8 of the Bureau of the Budget.

9 ATOMIC ENERGY

10 Such part as the President may determine of the unex-
11 pended balances of appropriations, allocations, or other
12 funds available for expenditure in connection with the Man-
13 hattan Engineer District are hereby transferred to and shall
14 be available for allocation by the President to such agencies
15 as he may determine for expenditure for the purpose of carry-
16 ing out provisions of the Atomic Energy Act of 1946: *Pro-*
17 *vided*, That such appropriations shall be available for per-
18 sonal services in the District of Columbia and elsewhere
19 without regard to section 14 (a) of the Federal Employees
20 Pay Act of 1946.

21 COUNCIL OF ECONOMIC ADVISERS

22 Salaries and expenses: For all necessary expenses, fiscal
23 year 1947, of the Council of Economic Advisers in carrying
24 out its functions under the Employment Act of 1946 (Pub-
25 lic Law 304), including personal services in the District

1 of Columbia and elsewhere; temporary employment of per-
2 sons or organizations without regard to civil-service and
3 classification laws; acceptance and utilization of voluntary
4 and uncompensated services; lawbooks, books of reference,
5 newspapers, and periodicals; printing and binding; purchase
6 of one, and hire, maintenance, operation, and repair of
7 passenger automobiles; travel expenses, including expenses
8 of attendance at meetings or organizations concerned with
9 the work of this agency; and not to exceed \$8,000 for
10 deposit in the general fund of the Treasury for cost of
11 penalty mail as required by section 2 of the Act of June
12 28, 1944 (Public Law 364) ; \$275,000.

13 OFFICE OF PRICE ADMINISTRATION

14 Salaries and expenses: For an additional amount, fiscal
15 year 1947, for "Salaries and expenses", including the ob-
16 jects and subject to the conditions specified under this head
17 in the Third Deficiency Appropriation Act, 1946,
18 \$26,000,000.

19 OVERTIME, LEAVE, AND HOLIDAY COMPENSATION

20 Overtime, leave, and holiday compensation: To enable
21 the President through the departments and agencies con-
22 cerned to pay claims for overtime, leave, and holiday
23 compensation at night rates as certified under the provisions
24 of H. R. 6532, Seventy-ninth Congress, and subject to the
25 enactment of such bill, \$20,000,000, to be available until

1 expended for allocation to the departments and agencies
 2 concerned in such amounts respectively as may be deter-
 3 mined by the Director of the Bureau of the Budget.

4 INDEPENDENT OFFICES

5 (11) *FEDERAL SECURITY AGENCY*

6 (12) *Grants to States for maternal and child health services:*
 7 *For an additional amount, fiscal year 1947, for grants to*
 8 *States for maternal and child health services, including the*
 9 *objects specified under this head in the Department of Labor*
 10 *Appropriation Act, 1947, \$9,180,000.*

11 (13) *Grants to States for services for crippled children:*
 12 *For an additional amount, fiscal year 1947, for grants to*
 13 *States for services for crippled children, including the objects*
 14 *specified under this head in the Department of Labor Ap-*
 15 *propriation Act, 1947, \$6,130,000.*

16 (14) *Grants to States for child-welfare services: For an*
 17 *additional amount, fiscal year 1947, for grants to States*
 18 *for child-welfare services, including the objects specified*
 19 *under this head in the Department of Labor Appropriation*
 20 *Act, 1947, \$3,490,000.*

21 (15) *Salaries and expenses, maternal and child welfare: For*
 22 *an additional amount, fiscal year 1947, for salaries and*
 23 *expenses, maternal and child welfare, including the objects*
 24 *specified under this head in the Department of Labor Appro-*
 25 *priation Act, 1947, and including also travel, printing and*

1 binding, penalty mail, contingent and other expenses,
2 \$925,500.

3 (16) The appropriations contained in the four preceding para-
4 graphs shall not be available for obligation until the enact-
5 ment into law of H. R. 7037, Seventy-ninth Congress.

6 (17) PUBLIC HEALTH SERVICE

7 (18) Mental health activities: For carrying out the provisions
8 of the National Mental Health Act, except section 11, in-
9 cluding travel; printing and binding; stationery; and the
10 objects specified in the paragraph immediately following the
11 heading "Public Health Service" in the Federal Security
12 Agency Appropriation Act, 1947, including the purchase,
13 maintenance, repair, and operation of three passenger-carry-
14 ing automobiles; and an additional \$2,380,680 for carrying
15 out the provisions of section 314 (c) of the Public Health
16 Service Act with respect to mental health, fiscal year 1947,
17 \$4,358,000, of which not to exceed \$109,400 may be trans-
18 ferred without limitation account to the appropriation "Pay,
19 and so forth, Commissioned Officers, Public Health Service":
20 Provided, That there is authorized to be transferred to this
21 appropriation such sums as the Surgeon General may deter-
22 mine to be available in other appropriations of the Public
23 Health Service for mental health activities: Provided further,
24 That determinations of the Director of the Bureau of the

1 *Budget of employment authorized under this appropriation*
2 *shall not be subject to the aggregate numerical limitations set*
3 *forth in section 607, subsection (g) (1) (A) of the Federal*
4 *Employees Pay Act of 1945, as amended.*

5 **(19)***National Institute of Mental Health: For the acquisition*
6 *of site or sites, the preparation of drawings and specifications,*
7 *and the performance of other work for the accomplishment*
8 *thereof, for the National Institute of Mental Health, as*
9 *authorized by section 11, Public Law 487, Seventy-ninth*
10 *Congress, to remain available until expended, \$850,000:*
11 *Provided, That this amount may be transferred, upon the*
12 *request of the Federal Security Administrator, to the Public*
13 *Buildings Administration, Federal Works Agency.*

14 **(20)***Hospital and construction activities: For carrying out*
15 *the provisions of title VI of the Public Health Service Act*
16 *as amended (S. 191), fiscal year 1947, including travel;*
17 *printing and binding; the objects specified in the paragraph*
18 *immediately following the caption "Public Health Service"*
19 *in the Federal Security Agency Appropriation Act, 1947:*
20 *and the purchase of eight passenger automobiles: \$2,425,000,*
21 *of which not to exceed \$147,147 may be transferred to the*
22 *appropriation "Pay, and so forth, commissioned officers,*
23 *Public Health Service", for not to exceed twenty-eight com-*
24 *missioned officers, and not to exceed \$41,680 may be trans-*
25 *ferred to the appropriation "Salaries, Office of the General*

1 *Counsel*", Office of the Administrator, Federal Security
 2 *Agency: Provided, That this appropriation shall be avail-*
 3 *able for personal services without regard to section 14 (a)*
 4 *of the Federal Employees Pay Act of 1946: Provided*
 5 *further, That the availability of this appropriation is con-*
 6 *tingent upon the enactment into law of said S. 191.*

7 ~~(21) FEDERAL WORKS AGENCY—PUBLIC ROADS~~

8 ~~ADMINISTRATION~~

9 *FEDERAL WORKS AGENCY*

10 *PUBLIC ROADS ADMINISTRATION*

11 Damage claims: For the payment of claims for damage
 12 to roads and highways under the Defense Highway Act
 13 of 1941, as amended (23 U. S. C. 110), as follows: "The
 14 Commissioner of Public Roads is authorized to reimburse
 15 the several States for the necessary rehabilitation or repair
 16 of roads and highways of States or their subdivisions sub-
 17 stantially damaged by the Army or the Navy, or both, by
 18 any other agency of the Government, and so forth", as fully
 19 set forth in House Document Numbered 727, Seventy-ninth
 20 Congress, \$21,012.64.

21 ~~(22)~~ *War and emergency damage, Territory of Hawaii: For*
 22 *carrying out the provisions of section 2 of the Act entitled*
 23 *"An Act to provide emergency relief for the victims of the*
 24 *seismic waves which struck the Territory of Hawaii, and*
 25 *for other purposes" (H. R. 6918, Seventy-ninth Congress),*

1 to be expended by the Commissioner of Public Roads in
2 accordance with provisions applicable to its customary oper-
3 ations in the construction, rehabilitation, and repair of roads,
4 highways, and bridges, by contract or otherwise, and neces-
5 sary expenses incident thereto without regard, outside con-
6 tinental United States, to section 3709 of the Revised Statutes,
7 including personal services in the District of Columbia or
8 elsewhere and employment of personnel outside the con-
9 tinental United States without regard to civil-service and
10 classification laws and section 14 (a) of the Federal Em-
11 ployees Pay Act of 1946, and the purchase of passenger
12 motor vehicles, \$8,000,000, to remain available until ex-
13 pended.

14 (23) BUREAU OF COMMUNITY FACILITIES

15 *Emergency relief for the Territory of Hawaii: For*
16 *carrying out the provisions of section 1 of the Act entitled*
17 *“An Act to provide emergency relief for the victims of the*
18 *seismic waves which struck the Territory of Hawaii, and*
19 *for other purposes” (H. R. 6918, Seventy-ninth Congress),*
20 *\$1,300,000, to remain available until expended, of which*
21 *amount not to exceed \$65,000 shall be available for adminis-*
22 *trative expenses of the Bureau of Community Facilities,*
23 *including travel, the purchase of two passenger motor vehicles,*
24 *and personal services in the District of Columbia and else-*

1 *where without regard to section 14 (a) of the Federal*
2 *Employees Pay Act of 1946.*

3 PRICE DECONTROL BOARD

4 Salaries and expenses: For all necessary expenses, fiscal
5 year 1947, of the Price Decontrol Board in carrying out
6 its functions under the Price Control Extension Act of
7 1946 and all other powers and duties and functions which
8 may be lawfully vested in the Price Decontrol Board, in-
9 cluding personal services in the District of Columbia and
10 elsewhere; temporary employment of persons or organiza-
11 tions by contract or otherwise without regard to civil-service
12 and classification laws; acceptance and utilization of voluntary
13 and uncompensated services; lawbooks, books of reference,
14 newspapers and periodicals; printing and binding; purchase
15 of one, and hire, maintenance, operation, and repair of pas-
16 senger automobiles; travel expenses, including expenses of
17 attendance at meetings or organizations concerned with the
18 work of the Board; and not to exceed \$5,000 for deposit in
19 the general fund of the Treasury for cost of penalty mail as
20 required by section 2 of the Act of June 28, 1944 (Public
21 Law 364) ; \$250,000.

22 (24)VETERANS' ADMINISTRATION

23 *Automobiles and Other Conveyances for Disabled Veter-*
24 *ans: To enable the Administrator of Veterans' Affairs to*

1 provide an automobile or other conveyance, equipped with
2 such special attachments and devices as the Administrator
3 may deem necessary, for each veteran of World War II,
4 whether or not discharged from service, who (1) is entitled
5 to disability compensation or pension under the laws admin-
6 istered by the Veterans' Administration, and (2) is unable,
7 because of the loss, or loss of use, of one or both lower limbs,
8 to use normal means of locomotion or ambulation: *Provided,*
9 *That no part of the money appropriated by this paragraph*
10 *shall be used for the repair, maintenance, or replacement of*
11 *any such automobile or other conveyance and no veteran*
12 *shall be given an automobile or other conveyance under the*
13 *provisions of this paragraph until it is established to the satis-*
14 *faction of the Administrator that such veteran will be able to*
15 *operate such automobile or other conveyance in a manner*
16 *consistent with his own safety and the safety of others, and*
17 *will be licensed to operate such automobile or other convey-*
18 *ance by the State of his residence, \$30,000,000, to remain*
19 *available until expended.*

20 (25) DEPARTMENT OF COMMERCE

21 BUREAU OF FOREIGN AND DOMESTIC COMMERCE

22 Export control: For an additional amount, fiscal year
23 1947, for "Export control", including the objects specified
24 under this head in the Department of Commerce Appro-
25 priation Act, 1947, \$600,000.

(26) DEPARTMENT OF LABOR

BUREAU OF LABOR STATISTICS

Salaries and expenses: For an additional amount, fiscal year 1947, for "Salaries and expenses", including the objects specified under this head in the Department of Labor Appropriation Act, 1947, \$25,000, to be available for obligation until January 31, 1947.

DEPARTMENT OF STATE

INTERNATIONAL OBLIGATIONS

Philippine rehabilitation: The third proviso of the appropriation under this head contained in the Third Deficiency Appropriation Act, 1946, hereby is corrected to read as follows: "*Provided further*, That the Secretary of State, or such official as he may designate, is authorized to transfer from any of the foregoing amounts to any department or independent establishment of the Government for participation in the foregoing programs, sums for expenditure by such department or establishment for the purposes hereof, and sums so transferred shall be available for expenditure in accordance with the provisions hereof and, to the extent determined by the Secretary of State, in accordance with the law governing expenditures of the department or establishment to which transferred: *Provided further*, That transfers of funds to participating agencies for the programs set forth

1 in sections 302 to 305 of the Act shall be approved by the
2 President prior to such transfers:”.

3 (27) *TREASURY DEPARTMENT*

4 *STRATEGIC AND CRITICAL MATERIALS (ACT OF*

5 *JULY 23, 1946)*

6 *For all expenses necessary for the procurement, transpor-*
7 *tation, maintenance, rotation, storage, and refining or process-*
8 *ing of strategic and critical materials for national defense*
9 *purposes, as authorized by the Strategic and Critical Mate-*
10 *rials Stockpiling Act (Public Law 520, Seventy-ninth Con-*
11 *gress), including personal services and rental and maintenance*
12 *of storage space in the District of Columbia and elsewhere,*
13 *\$250,000,000: Provided, That any funds received as pro-*
14 *ceeds from sale or other disposition of materials on account*
15 *of rotation of stocks of strategic and critical materials shall*
16 *be deposited to the credit, and be available for expenditure*
17 *for the purposes, of this appropriation.*

18 WAR DEPARTMENT

19 MILITARY ACTIVITIES

20 Military assistance, Philippines: Any or all of the appro-
21 priations of the Military Establishment for the fiscal year
22 1947 shall be available, in a total amount of not to exceed
23 \$19,750,000, for all expenses necessary to enable the
24 President through the War Department to carry out the

1 provisions of the Republic of the Philippines Military As-
2 sistance Act.

3 Atomic Service: The amount named in the last proviso
4 of the appropriation "Atomic Service", contained in the Mili-
5 tary Appropriation Act, 1947, may be increased to such an
6 amount as the President may approve, which shall be deter-
7 mined and communicated to the chairmen of the Committees
8 on Appropriations of the Senate and House of Representa-
9 tives, respectively, within thirty days after the enactment of
10 this Act.

11 CIVIL FUNCTIONS—SIGNAL CORPS

12 Alaska Communication System: For an additional
13 amount, fiscal year 1947, for "Alaska Communication
14 System", including the objects specified under this head in
15 the War Department Civil Appropriation Act, 1947,
16 \$200,000, to remain available until the close of the fiscal
17 year 1948.

18 TITLE II—JUDGMENTS AND AUTHORIZED 19 CLAIMS

20 PROPERTY DAMAGE CLAIMS

21 SEC. 201. For the payment of claims for damages to
22 or losses of privately owned property adjusted and deter-
23 mined by the following respective departments and inde-
24 pendent offices, under the provisions of the Act entitled

1 "An Act to provide a method for the settlement of claims
2 arising against the Government of the United States in
3 the sum not exceeding \$1,000 in any one case", approved
4 December 28, 1922 (31 U. S. C. 215), as fully set
5 forth in House Document Numbered 725, Seventy-ninth
6 Congress, as follows:

7 Federal Works Agency, \$136.15;
8 Department of Commerce, \$71.86;
9 Department of the Interior, \$905.26;
10 Treasury Department, \$312.30;
11 In all, \$1,425.57.

12 JUDGMENTS, UNITED STATES COURTS

13 SEC. 202. For the payment of final judgment, which
14 has been rendered under the provisions of the Act of March
15 3, 1887, entitled "An Act to provide for the bringing of
16 suits against the Government of the United States", as
17 amended by section 297 of the Act of March 3, 1911 (28
18 U. S. C. 761), and which has been certified to the Seventy-
19 ninth Congress in House Document Numbered 719, under
20 the following agency:

21 War Department, \$218.92, together with such addi-
22 tional sum as may be necessary to pay interest as and
23 where specified in the judgment, and such judgment shall
24 not be paid until the right of appeal has expired.

1 JUDGMENTS, UNITED STATES COURT OF CLAIMS

2 SEC. 203. (a) For payment of judgments rendered
3 by the Court of Claims and reported to the Seventy-ninth
4 Congress in House Document Numbered 726, under the fol-
5 lowing agencies, namely:

6 Federal Works Agency, \$49,000;

7 National Housing Agency:

8 Federal Public Housing Authority, \$8,829.05;

9 Treasury Department, \$12,909.42;

10 In all, \$70,738.47, together with such additional
11 amount as may be necessary to pay interest as and where
12 specified in the judgments;

13 (b) None of the judgments contained under this cap-
14 tion shall be paid until the right of appeal shall have ex-
15 pired except such as have become final and conclusive
16 against the United States by failure of the parties to appeal
17 or otherwise.

18 Payment of interest wherever provided for judgments
19 contained in this Act shall not in any case continue for more
20 than thirty days after the date of approval of this Act.

21 AUDITED CLAIMS

22 SEC. 204. For the payment of claims certified to be due
23 by the General Accounting Office under appropriations the
24 balances of which have been carried to the surplus fund

1 under the provisions of section 5 of the Act of June 20,
2 1874 (31 U. S. C. 713), and under appropriations hereto-
3 fore treated as permanent, being for the service of the fiscal
4 year 1944 and prior years, unless otherwise stated, and
5 which have been certified to Congress under section 2 of
6 the Act of July 7, 1884 (5 U. S. C. 266), as fully set forth
7 in House Document Numbered 728, Seventy-ninth Con-
8 gress, there is appropriated the sum of \$504,495.10, to-
9 gether with such additional sum due to increases in rates of
10 exchange as may be necessary to pay claims in the foreign
11 currency and interest as specified in certain of the settle-
12 ments of the General Accounting Office, to be disbursed
13 and accounted for as a single fund, and \$1,728.43 payable
14 from postal revenues; in all, \$506,223.53.

15 SEC. 205. For the payment of claims allowed by the
16 General Accounting Office pursuant to the Act entitled "An
17 Act granting travel pay and other allowances to certain
18 soldiers of the War with Spain and the Philippine Insur-
19 rection who were discharged in the Philippine Islands",
20 approved December 5, 1945 (Public Act Numbered 247,
21 Seventy-ninth Congress), and which have been certified to
22 the Seventy-ninth Congress under section 2 of the Act of
23 July 7, 1884 (5 U. S. C. 266), under the War Department
24 in House Document Numbered 724, \$30,591.32.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates,

1 the overthrow of the Government of the United States by
 2 force or violence and accepts employment the salary or wages
 3 for which are paid from any appropriation in this Act shall
 4 be guilty of a felony and, upon conviction, shall be fined
 5 not more than \$1,000 or imprisoned for not more than one
 6 year, or both: *Provided further*, That the above penalty
 7 clause shall be in addition to, and not in substitution for,
 8 any other provisions of existing law.

9 ~~(28)~~SEC. 302. Section 2 (a) of the Act of June 11, 1946
 10 (Public Law 404, Seventy-ninth Congress), is amended by
 11 striking out the period at the end thereof and inserting a
 12 semicolon and the following: "and the Veterans' Emergency
 13 Housing Act of 1946."

14 SEC. ~~(29)~~~~302~~ 303. This Act may be cited as the "First
 15 Supplemental Appropriation Act, 1947".

Passed the House of Representatives July 30, 1946.

Attest: SOUTH TRIMBLE,
Clerk.

Passed the Senate with amendments August 1 (legisla-
 tive day, July 29), 1946.

Attest: LESLIE L. BIFFLE,
Secretary.

79TH CONGRESS
2^D Session

H. J. RES. 390

JOINT RESOLUTION

Making additional appropriations for the fiscal
year 1947, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

August 1, 1946

Ordered to be printed with the amendments of the
Senate numbered

FIRST SUPPLEMENTAL APPROPRIATION BILL, 1947

AUGUST 1, 1946.—Ordered to be printed

Mr. CANNON of Missouri, from the committee of conference, submitted
the following

CONFERENCE REPORT

[To accompany H. J. Res. 390]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 18 and 19.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 6, 7, 8, 21, and 26, and agree to the same:

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following:

JOINT COMMITTEE ON PRINTING

Biographical Congressional Directory: To enable the Secretary of the Senate to pay, upon vouchers approved by the chairman or vice chairman of the Joint Committee on Printing, for compiling and preparing a revised edition of the Biographical Directory of the American Congress (1774-1948) as provided for in House Concurrent Resolution Numbered 163, adopted July 26, 1946, not to exceed \$35,000; and said sum or any part thereof, in the discretion of the chairman or vice chairman of the Joint Committee on Printing, may be paid as additional compensation (at not to exceed \$1,800 per annum) to any employee of the United States, and shall continue to be available until expended.

And the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert: \$25,000; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following:

BUREAU OF COMMUNITY FACILITIES

Emergency relief for the Territory of Hawaii: For carrying out the provisions of section 1 of the Act entitled "An Act to provide emergency relief for the victims of the seismic waves which struck the Territory of Hawaii, and for other purposes", \$1,300,000, to remain available until expended, of which amount not to exceed \$65,000 shall be available for administrative expenses of the Bureau of Community Facilities, including travel, the purchase of two passenger motor vehicles, and personal services in the District of Columbia and elsewhere.

And the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment amended to read as follows:

DEPARTMENT OF COMMERCE

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Export control: For an additional amount, fiscal year 1947, for "Export control", including the objects specified under this head in the Department of Commerce Appropriation Act, 1947, \$400,000.

And the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert \$100,000,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 3, 11, 12, 13, 14, 15, 16, 17, 20, 22, 24, 28, and 29.

CLARENCE CANNON,
LOUIS C. RABAUT,
ALBERT THOMAS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,

Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
JOHN H. OVERTON,
ELMER THOMAS,
STYLES BRIDGES,
CHAN GURNEY,
JOSEPH H. BALL,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year 1947, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 4 to 7, inclusive, relating to the Senate: Appropriates \$163,000 for contingent expenses, and \$540 for salaries, Office of the Sergeant at Arms and Doorkeeper, as proposed by the Senate.

Amendment No. 8: Appropriates \$15,000 additional for contingent expenses, folding documents, House of Representatives, fiscal year 1947, as proposed by the Senate.

Amendment No. 9: Appropriates \$35,000, instead of \$50,000, as proposed by the Senate, for a revised edition of the Biographical Congressional Directory, and further amends to limit the rate of additional compensation to employees engaged in the work to \$1,800 per annum.

Amendment No. 10: Appropriates \$25,000, instead of \$50,000, as proposed by the Senate, for salaries and expenses of the Joint Committee on the Economic Report.

Amendments Nos. 18 and 19, relating to the Public Health Service: Strikes out the appropriation of \$4,358,000 proposed by the Senate for mental health activities, and strikes out the appropriation of \$850,000 proposed by the Senate on account of the National Institute of Mental Health.

Amendment No. 21: Changes a title, as proposed by the Senate.

Amendment No. 23: Appropriates \$1,300,000 for emergency relief, Territory of Hawaii, as proposed by the Senate, amended by omitting the waiver of section 14 (a) of the Federal Employees Pay Act of 1946.

Amendment No. 25: Appropriates \$400,000 additional for export control, Bureau of Foreign and Domestic Commerce, fiscal year 1947, instead of \$600,000, as proposed by the House, and no appropriation, as proposed by the Senate.

Amendment No. 26: Appropriates \$25,000 additional for salaries and expenses, Bureau of Labor Statistics, fiscal year 1947, as proposed by the Senate.

Amendment No. 27: Appropriates \$100,000,000 for strategic and critical materials (act of July 23, 1946), instead of \$250,000,000, as proposed by the Senate.

DISAGREEMENTS PURSUANT TO CLAUSE 2, RULE XX

Amendments Nos. 1 to 3, inclusive, relating to the Senate. It will be moved to recede and concur in such amendments, with a textual amendment to amendment No. 1.

Amendments Nos. 11 to 14, inclusive, providing for additional grants for the Children's Bureau of the Social Security Administra-

tion. It will be moved to reeede and coneur in such amendments, reducing the amounts to agree with the Budget estimates and changing the texts to conform with the texts of such estimates.

Amendment No. 15, relating to salaries and expenses, maternal and child welfare. It will be moved to reeede and coneur with an amendment reducing the amount of the appropriation proposed by the Senate from \$925,500 to \$425,000.

Amendment No. 16, governing the availability of certain appropriations. It will be moved to reeede and coneur in such amendment.

Amendments Nos. 17 and 20, relating to hospital and construction activities, Public Health Service. It will be moved to reeede and coneur in such amendments with amendments reducing the amount of the appropriation proposed by the Senate from \$2,425,000 to \$2,350,000, and adjusting amount limitations proportionately, and eliminating waiver of section 14 (a) of the Federal Employees Pay Act of 1946.

Amendment No. 22, relating to war and emergency damage, Territory of Hawaii. It will be moved to reeede and coneur in such amendment with an amendment eliminating the waiver of section 14 (a) of the Federal Employees Pay Act of 1946.

Amendment No. 24, relating to the provision of automobiles and other conveyances for disabled veterans. It will be moved to reeede and coneur in such amendment with certain textual changes.

Amendment No. 28, waiving the application of a provision of the Administrative Procedures Act to the Veterans' Emergency Housing Act of 1946. It will be moved to reeede and coneur in such amendment.

Amendment No. 29, changing a section number. It will be moved to recede and coneur in such amendment.

CLARENCE CANNON,
LOUIS C. RABAUT,
ALBERT THOMAS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,

Managers on the Part of the House.

Aug

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued August 5, 1946
For actions of August 2, 1946
79th-2nd, No. 154

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HIGHLIGHTS: Senate passed bill to authorize issuance of crop reports on Mon. when due date falls on Sat. Senate passed bill to authorize appropriations for farm labor program. Senate ratified protocol transferring FAO functions and assets of International Institute of Agriculture. Senate confirmed Clayton nomination as Under Secretary of State for Economic Affairs. Both Houses agreed to conference report on first supplemental appropriation bill. President's statement at time he approved congressional-reorganization bill, inserted. Sen. Maybank inserted statement to OPA asking for adjustment in price ceilings on cotton and its products. House Rules Committee cleared Mediterranean-fruitfly claims bill, but it was not considered on floor. Rep. Boykin inserted Secretary Anderson's report opposing bill to make Government patents freely available. Rep. Flannagan inserted report of actions of House Agriculture Committee.

SENATE

1. CROP REPORTS. Passed without amendment H. R. 4769, to permit crop reports to be issued on Monday when the due date falls on Saturday (p. 10872). This bill will now be sent to the President.
2. FARM LABOR. Passed without amendment H. R. 6828, to authorize appropriations to continue the farm-labor supply program until June 30, 1947 (p. 10872). This bill will now be sent to the President. An appropriation has already been made for this program.
3. FOOD AND AGRICULTURE ORGANIZATION. Ratified a protocol transferring to FAO the functions and assets of the International Institute of Agriculture (pp. 10881-3).
4. NOMINATIONS. Confirmed the nomination of William L. Clayton to be Under Secretary of State for Economic Affairs (p. 10883). Passed over, at the request of Sen. Taft, Ohio, the nomination of Dillon S. Myer to be Administrator of USHA (p. 10883).
5. FIRST SUPPLEMENTAL APPROPRIATION BILL, 1947. Agreed to the conference report on this bill, H. J. Res. 390 (pp. 10855). The House also agreed to the report (pp. 10896-903). This measure will now be sent to the President. For its provisions see Digest 153.

Sen. McKellar inserted a comparative statement of estimates and appropriations during the 79th Congress, 2nd session (p. 10856) and appropriation

rescissions (p. 10856). Rep. Cannon, Mo., inserted a similar statement on appropriations (p. 10897).

6. CONGRESSIONAL REORGANIZATION. Sen. LaFollette, Wis., and Rep. Monroney, Okla., inserted President Truman's statement commending the congressional-reorganization act (pp. 10819, 10912).
7. WOOL. Sen. O'Mahoney, Wyo., spoke in favor of legislation to alleviate the wool problem (pp. 10853-4).
Sen. Walsh, Mass., inserted an article from the N. Y. Daily News, "Needed Cooperation Between Dealers and Growers" (pp. 10819-20).
8. RUBBER. At the request of Sen. Taft, Ohio, passed over H. R. 2347, the Poage bill to provide for price supports and research on guayule rubber (p. 10872).
9. SOCIAL SECURITY. Both Houses agreed to the conference report on H. R. 7037, to amend the Social Security Act (pp. 10821-4, 10889-96). Ready for President.
Agreed to S. Res. 320, directing the Finance Committee to investigate all phases of social security (pp. 10841-2).
10. PRICE CONTROL. Sen. Maybank, S. C., inserted a statement which he, Sen. Russell, and Sen. Eastland have sent to OPA, recommending adjustments in ceilings for cotton and its products (pp. 10824-6).
11. RURAL ELECTRIFICATION. Sen. Shipstead, Minn., inserted various statements concerning the REA program and organization (pp. 10862-4).
12. WILDLIFE CONSERVATION. Passed without amendment H. R. 4362, to abolish the Parker River Wildlife Refuge, Mass. (p. 10862). This bill will now be sent to the President.
13. DIGESTS OF LEGISLATION, ETC. Sen. Barkley obtained consent for the printing of a summary of important legislation of the 79th Congress (p. 10859). He also obtained consent for the printing of a compilation of legislation, executive orders, and regulations during this Congress (p. 10859).
14. PERSONNEL CEILINGS. Received the Budget Bureau's quarterly report of personnel ceilings (p. 10816). The Joint Committee on Reduction of Nonessential Federal Expenditures submitted a report on personnel-ceilings violations (p. 10816).
15. SURPLUS PROPERTY. Received the State Department's report on foreign surplus disposal (p. 10816).
16. ATOMIC ENERGY. Both Houses selected members of the Committee on Development and Control of Atomic Energy (pp. 10815-6, 10908).
17. ADJOURNED sine die (p. 10883).

HOUSE

18. MEDITERRANEAN-FRUITFLY CLAIMS. The Rules Committee reported a resolution for consideration of H. R. 3760, for the relief of persons who suffered losses and damages as the result of the Mediterranean-fruitfly campaign, but the bill was not considered on the floor (pp. 10903-4). A similar bill passed the Senate.
19. POST-WAR PLANNING. Agreed, without amendment, to H. Res. 754, to authorize continued investigations by the Colmer Committee during adjournment (p. 10903).

Court of Justice according to the provisions of article 36 of the statute."

J. THE CONSTITUTIONAL ISSUES INVOLVED

During the discussion which took place in the subcommittee three important constitutional issues were raised. These issues were: (1) Can the proposed action be taken by the treaty-making process or is a joint resolution of the two Houses preferable; (2) Is it proper procedure to obtain the advice and consent of the Senate prior to the deposit of the declaration by the President; and (3) would the deposit of the declaration by the President establish treaty relations between the United States and the United Nations or between the United States and the various members of the United Nations who have deposited similar declarations.

With respect to the first issue, a declaration of this kind is no doubt unique so far as the United States is concerned. No one, however, can doubt the power of this Government to make such a declaration. The question is one of procedure. During the debates on the United Nations Charter the problem was discussed at some length on the floor of the Senate, and it was generally agreed that the President could not deposit the declaration without congressional action of some kind granting him the authority to do so. To clarify the issue Senator VANDENBERG requested an opinion of Mr. Green Hackworth, then legal adviser of the Department of State. The pertinent paragraph of this opinion, which Senator VANDENBERG read on the floor of the Senate on July 28, 1945, follows:

"If the Executive should initiate action to accept compulsory jurisdiction of the Court under the optional clause contained in article 36 of the statute, such procedure as might be authorized by the Congress would be followed, and if no specific procedure were prescribed by statute, the proposal would be submitted to the Senate with request for its advice and consent to the filing of the necessary declaration with the Secretary General of the United Nations."

Since that time both the President and the Secretary of State have indicated that, in their opinion, either the procedure outlined in Senate Resolution 196 (calling for a two-thirds vote of the Senate) or that outlined in House Joint Resolution 291 (calling for a simple majority vote of the two Houses) would furnish a satisfactory legal basis for acceptance by the United States of the compulsory jurisdiction clause.

Inasmuch as the declaration would involve important new obligations for the United States, the committee was of the opinion that it should be approved by the treaty process, with two-thirds of the Senators present concurring. The force and effect of the declaration is that of a treaty, binding the United States with respect to those States which have or which may in the future deposit similar declarations. Moreover, under our constitutional system the peaceful settlement of disputes through arbitration or judicial settlement has always been considered a proper subject for the use of the treaty procedure. While the declaration can hardly be considered a treaty in the strict sense of that term, the nature of the obligations assumed by the contracting parties are such that no action less solemn or less formal than that required for treaties should be contemplated.

With respect to the second issue the answer may be found in the Constitution itself. Article 2, section 2, provides that the President shall have "power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur." It is evident that the advice and consent of the Senate is equally effective whether given before, during, or after the conclusion of the treaty. In fact, President Washington approached the Senate for its

advice and consent prior to the negotiation of treaties, and this practice was followed on occasion by other Presidents. While the practice of prior consultations with the Senate fell into disuse after 1816, a recent precedent may be found in the convention of 1927, extending the General Claims Commission. United States and Mexico, of 1923. The treaty was signed on August 16, 1927, pursuant to a Senate resolution of February 17, 1927. A similar example is the convention of 1929, again extending the life of the Commission. The convention was signed on August 17, 1929, pursuant to the Senate resolution of May 25, 1929.

With regard to the third issue, the proposed declaration would not constitute, in any sense, an agreement between the United States and the United Nations. It is rather a unilateral declaration having the force and effect of a treaty as between the United States and each of the other states which accept the same obligations. It is merely an extension of the general principle that any two states may agree to submit cases to arbitration or judicial settlement. The so-called optional clause would permit a large number of states to take such action with respect to the four categories of legal cases enumerated.

As to whether the United States can enter into a treaty with the United Nations, the question is not here at issue. In any event, it is clear that the United States can conclude agreements with the United Nations, inasmuch as the United Nations Participation Act authorized the President to take such action in conformity with the pledge of the United States to make armed forces available to the Security Council under article 43 of the Charter. Moreover, there appears to be nothing in the Constitution which forbids the conclusion of a treaty between the United States and an international organization.

If it follows that the legal capacity of the United Nations is all that is required to enable the United States and the United Nations to enter into treaty relationships, article 104 of the Charter would seem to establish that authority. Article 104 reads: "The Organization shall enjoy in the territory of each of its members such legal capacity as may be necessary for the exercise of its functions and the fulfillment of its purposes."

K. DESIRABILITY OF SPEEDY ACTION

Most of the witnesses appearing before the subcommittee expressed the hope that the Senate would act speedily in order to demonstrate once more the conviction of the people of the United States that peace will be possible only if law and justice are firmly embedded in the foundations of the United Nations. To be sure, the extension of the compulsory jurisdiction of the International Court of Justice will not usher the world automatically into an era of peace; it is only one important step in man's long and painful march toward a warless world. The acceptance by the United States of the compulsory jurisdiction clause, however, would constitute a step of great psychological and moral significance. It would help develop a spirit of trust and confidence, particularly on the part of the small states, toward the United States. And it would give impetus to the principle of the peaceful settlement of disputes as the judges of the new Court begin their work at the Peace Palace in The Hague.

On July 28, 1945, the Senate ratified the United Nations Charter by the overwhelming vote of 89 to 2. Since that time the people of the United States, the Senate, the House of Representatives, the President, and the Secretary of State have repeatedly asserted the conviction that the foreign policy of the United States must be centered about the activities and the organs of the United Nations. The International Court of Justice is one of the principal organs of the United Na-

tions. It would seem entirely consistent with our often pronounced policy for the Senate to take speedy action in order to ensure our full cooperation with the work of the Court at the earliest practicable date.

The Senate Foreign Relations Committee, in its report to the Senate on the United Nations Charter, expressed the following view:

"Unless we are prepared to take all steps which are necessary to effectuate our membership in the United Nations, we would be merely deceiving the hopes of the United States and of humanity in ratifying the Charter."

LEAVE OF ABSENCE

Mr. LA FOLLETTE. Mr. President, I ask the Senator from Kentucky whether it is his intention to have the concurrent resolution to adjourn sine die laid before the Senate today?

Mr. BARKLEY. As soon as the conference report on the first supplemental appropriation bill, 1947, is disposed of, I expect to have the resolution laid before the Senate.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to be excused from further attendance at the session of the Senate today.

The PRESIDING OFFICER. Without objection, leave is granted.

LEGISLATIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

PLIGHT OF DOMESTIC WOOL INDUSTRY

Mr. O'MAHONEY. Mr. President, last Wednesday I addressed the Senate at some length upon the very important subject of legislation to deal with the wool-growing industry in the United States. I have no intention of making another speech on that subject. I feel that the Senate is in a temper to vote and not to listen to talk. I also feel that the Senate is pretty well convinced that the wool bill in some form should be passed.

As I pointed out on Wednesday, the Senate Committee on Agriculture and Forestry has filed a favorable report on a wool bill. The House Committee on Agriculture has likewise filed a similar report. If I could, with the agreement of the leadership, make a motion to proceed to the consideration of the wool bill now on the calendar, I would move to amend the bill so that it would be identical with the bill which has been recommended by the House Committee on Agriculture and which is also on the Senate Calendar. I desire to inquire of the present occupant of the chair whether I may not be permitted to make such a motion before he lays before the Senate the concurrent resolution providing for final adjournment.

Mr. BARKLEY. Mr. President, I appreciate fully the situation to which the Senator from Wyoming has called attention, and I am sympathetic to his purpose. But the House passed the concurrent resolution for adjournment last Saturday. The House is now awaiting action by the Senate on the resolution. Of course, it merely means that when we

conclude business today the two Houses will stand adjourned. It does not mean that we will adjourn immediately on the adoption of the resolution.

Mr. O'MAHONEY. I understand that.

Mr. BARKLEY. I feel that, in view of the fact that the House has waited so long for the Senate to take action, the concurrent resolution should be laid down as a courtesy to the House. If that is not done we may run the risk of being required to amend the resolution or let the matter go by the board. I feel that we can remain as late as the Senate is willing to remain today, but the resolution providing for adjournment of the two Houses of Congress today when each House concludes its business, should be laid down.

Mr. O'MAHONEY. Mr. President, recognizing as I do that the arduous labors which have been performed by both the Members of the Senate and the Members of the House deserve the reward of an adjournment of the Congress, I thought it would be neither charitable nor wise to attempt to prolong the session. Nevertheless, I feel that this issue is of such great importance, and is supported on both sides of the Chamber by so many Members of the Senate that I should be permitted, at least, to ask the Senate to vote upon the measure.

Mr. BARKLEY. The Senator realizes that the Senate may remain in session as long as it is willing to sit.

Mr. O'MAHONEY. I realize that.

Mr. BARKLEY. The House is in the same situation. Under the concurrent resolution, when both Houses of Congress complete their work today the Congress will stand adjourned.

Mr. O'MAHONEY. Mr. President, it is customary, in the conduct of the affairs of the Senate, for Members of the body to reach understandings with the leadership. I should like very much to be able to reach an understanding with the leadership on both sides of the Chamber at this time that, after the concurrent resolution for adjournment has been laid down and disposed of, I may be recognized to move that the Senate proceed to the consideration of the wool bill.

Mr. BARKLEY. I will state frankly to the Senator, Mr. President, that I would have no objection to his motion. However, I do not control the recognition of the Senator. That is within the province of the Chair. So far as I am concerned, I would have no objection to his motion.

Mr. WHITE. Mr. President, if unanimous consent is being asked for, I am constrained to object.

Mr. O'MAHONEY. I have not asked for unanimous consent.

Mr. BARKLEY. No.

Mr. WHITE. Then, I cannot object.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. I should like to know what agreement or understanding has been reached, if any, relative to the request of the able Senator from Wyoming?

Mr. BARKLEY. No agreement has been reached.

Mr. WHERRY. Then the bill is still on the calendar just the same as are the other bills which are there.

Mr. BARKLEY. The Senator is correct.

Mr. McKELLAR obtained the floor.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I will yield if it is only for a moment. I have a conference report which I wish to have considered. It is important and should be agreed to.

Mr. O'MAHONEY. The Senator is correct. I merely wish to inquire of the Senator from Nebraska whether I understood correctly that he would be willing, so far as he is concerned, to have a vote on the proposed motion to consider the wool bill.

Mr. WHERRY. I have no objection whatever. I merely wanted to hear what was said. We could not hear on this side of the chamber.

Mr. O'MAHONEY. I had understood that the Senator would not object.

Mr. O'MAHONEY subsequently said: Mr. President, it is not my intention, I may say to the Senate, to make a motion to have the Senate take up the wool bill, because since I spoke earlier in the afternoon I have made a survey of the conditions which exist, and I find there is no possibility of getting action on the bill in the House of Representatives, because of the situation. So I shall not attempt to make that motion now.

Mr. WHERRY. Mr. President, I wish the Senate to know and I wish to make the record clear that those of us from the wool-producing States, who are just as much concerned about the wool legislation as is the Senator from Wyoming, are interested in the question of whether consent was given by the majority leader for the consideration of the bill this afternoon, because we are indeed anxious that the wool legislation be considered.

Mr. O'MAHONEY. I thank the Senator for his statement.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 1560. An act to amend the Service Extension Act of 1941, as amended, to extend reemployment benefits to former members of the Women's Army Auxiliary Corps who entered the Women's Army Corps;

S. 2306. An act to authorize the Secretary of War to grant Georgia Power Co. a 100-foot perpetual easement across certain land in the State of Alabama constituting a portion of the military reservation designated as Fort Benning, Ga.; and

S. J. Res. 186. Joint resolution to provide for the transfer of the painting First Fight of Ironclads, Monitor and Merrimac, now stored in the United States Capitol Building, to the custody of the United States Naval Academy.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1751) to authorize the course of instruction at the United States Merchant Marine Academy to be given to not exceeding 20 persons at a time from the American Republics, other than the United States.

The message further announced that the House had agreed to the report of the committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 783) for the relief of Karl E. Bond.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5626) to authorize the Veterans' Administration to appoint and employ retired officers without affecting their retired status, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year 1947, and for other purposes; that the House recede from its disagreement to the amendments of the Senate Nos. 2, 3, 11, 16, 17, 28, and 29 to the joint resolution, and concur therein, and that the House receded from its disagreement to the amendments of the Senate Nos. 1, 12, 13, 14, 15, 20, 22, and 24 to the joint resolution and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

ADDITIONAL APPROPRIATIONS, FISCAL YEAR 1947—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 18 and 19.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 6, 7, 8, 21, and 26, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"JOINT COMMITTEE ON PRINTING

"Biographical Congressional Directory: To enable the Secretary of the Senate to pay, upon vouchers approved by the chairman or vice chairman of the Joint Committee on Printing, for compiling and preparing a revised edition of the Biographical Directory of the American Congress (1774-1948) as provided for in House Concurrent Resolution Numbered 163, adopted July 26, 1946, not to exceed \$35,000; and said sum or any part thereof, in the discretion of the chairman or vice chairman of the Joint Committee on Printing, may be paid as additional compensation (at not to exceed \$1,800 per annum) to any employee of the United States, and shall continue to be available until expended."

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert: "\$25,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"BUREAU OF COMMUNITY FACILITIES

"Emergency relief for the Territory of Hawaii: For carrying out the provisions of section 1 of the Act entitled 'An Act to provide emergency relief for the victims of the seismic waves which struck the Territory of Hawaii, and for other purposes', \$1,300,000, to remain available until expended, of which amount not to exceed \$65,000 shall be available for administrative expenses of the Bureau of Community Facilities, including travel, the purchase of two passenger motor vehicles, and personal services in the District of Columbia and elsewhere."

And the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"DEPARTMENT OF COMMERCE

"BUREAU OF FOREIGN AND DOMESTIC COMMERCE

"Export control: For an additional amount, fiscal year 1947, for 'Export control', including the objects specified under this head in the Department of Commerce Appropriation Act, 1947, \$400,000."

And the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$100,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 3, 11, 12, 13, 14, 15, 16, 17, 20, 22, 24, 28, and 29.

KENNETH McKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
JOHN H. OVERTON,
ELMER THOMAS,
STYLES BRIDGES,
CHAN GURNEY,
JOSEPH H. BALL,

Managers on the Part of the Senate.

CLARENCE CANNON,
LOUIS C. RABAUT,
ALBERT THOMAS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,

Managers on the Part of the House.

Mr. McKELLAR. Mr. President, I ask unanimous consent for the immediate consideration and adoption of the conference report.

There being no objection, the report was considered and agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House Joint Resolution 390, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
August 2, 1946.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 11, 16, 17, 28, and 29 to the

Joint Resolution (H. J. Res. 390) making additional appropriations for the fiscal year 1947, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 1, to said bill and concur therein with an amendment as follows: In line 6 of the matter inserted by said amendment, after the word "authorized", insert ", subject to the approval of the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate (Committee on Rules and Administration, if and when elected)."

That the House recede from its disagreement to the amendment of the Senate numbered 12, to said bill, and concur therein with an amendment as follows: In lieu of the sum named in said amendment, insert: "\$6,885,000: *Provided*, That such additional amounts shall be allotted on a pro rata basis among the several States in proportion to the amounts to which the respective States are entitled for each fiscal year by reason of section 401 of the Social Security Act amendments of 1946."

That the House recede from its disagreement to the amendment of the Senate numbered 13, to said bill, and concur therein with an amendment as follows: In lieu of the sum named in said amendment, insert: "\$4,597,500: *Provided*, That such additional amounts shall be allotted on a pro rata basis among the several States in proportion to the amounts to which the respective States are entitled for each fiscal year by reason of section 401 of the Social Security Act Amendments of 1946."

That the House recede from its disagreement to the amendment of the Senate numbered 14, to said bill, and concur therein with an amendment as follows: In lieu of the sum named in said amendment, insert: "\$2,617,500: *Provided*, That such additional amounts shall be allotted on a pro rata basis among the several States in proportion to the amounts to which the respective States are entitled for each fiscal year by reason of section 401 of the Social Security Act Amendments of 1946."

That the House recede from its disagreement to the amendment of the Senate No. 15 to said bill and concur therein with an amendment as follows: In lieu of the sum named in said amendment insert "\$425,000."

That the House recede from its disagreement to the amendment of the Senate No. 20 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"Hospital and construction activities: For carrying out the provisions of title VI of the Public Health Service Act, as amended (S. 191), fiscal year 1947, including travel; printing and binding; the objects specified in the paragraph immediately following the caption 'Public Health Service' in the Federal Security Agency Appropriation Act, 1947; and the purchase of eight passenger automobiles; \$2,350,000, of which not to exceed \$126,000 may be transferred to the appropriation 'Pay, etc., commissioned officers, Public Health Service' for not to exceed 28 commissioned officers, and not to exceed \$34,175 may be transferred to the appropriation 'Salaries, Office of the General Counsel, Office of the Administrator, Federal Security Agency: *Provided*, That the availability of this appropriation is contingent upon the enactment into law of said S. 191."

That the House recede from its disagree-

ment to the amendment of the Senate No. 22 to said bill and concur therein with an amendment as follows: In line 5 of the matter inserted by said amendment, strike out the following: "(H. R. 6918, Seventy-ninth Congress)"; and in lines 15 and 16 of the matter inserted by said amendment, strike out the following: "and section 14 (a) of the Federal Employees Pay Act of 1946."

That the House recede from its disagreement to the amendment of the Senate No. 24 to said bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"VETERANS' ADMINISTRATION

"Automobiles and other conveyances for disabled veterans: To enable the Administrator of Veterans' Affairs to provide an automobile or other conveyance, at a cost per vehicle, or conveyance of not to exceed \$1,600, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II who is entitled to compensation for the loss, or loss of use, of one or both legs at or above the ankle under the laws administered by the Veterans' Administration, \$30,000,000: *Provided*, That no part of the money appropriated by this paragraph shall be used for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance under the provisions of this paragraph until it is established to the satisfaction of the administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided further*, That under such regulations as the Administrator may prescribe the furnishing of such automobile or other conveyance shall be accomplished by the Administrator paying the total purchase price to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran."

Mr. McKELLAR. Mr. President, I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 1, 12, 13, 14, 15, 22, and 24.

The motion was agreed to.

COMPARATIVE STATEMENT OF ESTIMATES SUBMITTED AND APPROPRIATIONS MADE, SECOND SESSION, SEVENTY-NINTH CONGRESS

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, to appear immediately after the final action on the deficiency appropriation bill, a comparative statement of estimates submitted at the second session of the Seventy-ninth Congress and of appropriations made during such session. I believe this will be of vast interest to every Senator. It shows that the appropriations were actually \$1,591,607,697.61 less than the estimates.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Comparative statement of estimates submitted at the 2d sess. of the 79th Cong., and of appropriations made during such session

Title	Regular Budget estimates, fiscal year 1947	Supplemental estimates, fiscal year 1947, and prior fiscal years	Total Budget estimates	Total appropriations, 79th Cong., 2d sess.	Increase (+) and decrease (—) appropriations compared with estimates
REGULAR ANNUAL ACT, 1947					
Department of Agriculture	\$585,230,572.00	\$5,175,100.00	\$590,405,672.00	\$581,240,121.00	—\$9,165,551.00
District of Columbia	81,505,000.00		81,505,000.00	76,755,009.00	—4,749,991.00
Independent offices	5,140,876,502.00		5,140,876,502.00	5,094,976,677.00	—45,899,825.00
Interior Department	340,719,260.00	9,637,970.00	350,357,230.00	247,167,036.00	—103,190,194.00
Department of Labor, Federal Security Agency, and related independent agencies	1,080,831,700.00	97,244,200.00	1,178,075,900.00	1,155,015,670.00	—23,060,230.00
Labor, Department of	46,626,500.00	85,074,600.00	131,701,100.00	140,456,443.00	+8,755,343.00
Federal Security Agency	714,399,700.00	12,169,600.00	726,569,300.00	696,183,527.00	—30,385,773.00
Related agencies	319,805,500.00		319,805,500.00	318,375,700.00	—1,429,800.00
Legislative branch	53,410,086.66	4,929,047.00	58,339,133.66	53,809,736.16	—4,529,397.50
Military		7,208,207,459.00	7,208,207,429.00	7,263,542,400.00	+55,334,971.00
Navy		3,765,399,000.00	3,765,399,000.00	4,119,659,300.00	+354,260,300.00
State, Justice, and Commerce Departments and the Judiciary	368,396,480.00	119,901,121.00	488,297,601.00	437,703,212.00	—50,594,389.00
State, Department of	91,705,100.00	43,182,731.00	134,887,831.00	128,008,752.00	—6,879,079.00
Justice, Department of	96,771,050.00	1,292,000.00	98,063,050.00	99,752,250.00	+1,689,200.00
Commerce, Department of	163,336,000.00	75,419,000.00	238,755,000.00	193,884,720.00	—44,870,280.00
The Judiciary	16,584,330.00	7,390.00	16,591,720.00	16,057,490.00	—534,230.00
Treasury and Post Office Departments	1,634,217,190.00		1,634,217,190.00	1,604,862,140.00	—29,355,050.00
Treasury Department	335,978,000.00		335,978,000.00	325,290,250.00	—10,687,750.00
Post Office Department	1,298,239,190.00		1,298,239,190.00	1,279,571,890.00	—18,667,300.00
War Department civil functions	321,060,630.00	17,577,879.00	338,638,509.00	333,230,498.00	—5,408,011.00
Total regular annual acts	9,603,247,420.66	11,228,071,746.00	20,831,319,166.66	20,967,961,799.16	+133,642,632.50
DEFICIENCY AND SUPPLEMENTAL ACTS					
First urgent deficiency, 1946		3,713,000.00	3,713,000.00	3,347,200.00	—365,800.00
Second urgent deficiency, 1946		362,879,807.00	362,879,807.00	364,114,807.00	+1,235,000.00
Third urgent deficiency, 1946		676,444,960.89	676,444,960.89	661,847,988.89	—14,596,972.00
Second deficiency, 1946		71,198,695.02	71,198,695.02	61,601,337.02	—9,597,358.00
Third deficiency, 1946		2,893,567,112.97	2,893,567,112.97	2,652,860,866.96	—240,706,246.01
Veterans' benefits (H. J. Res. 316)		500,000,000.00	500,000,000.00	500,000,000.00	
Veterans' Housing (H. J. Res. 328)		253,727,000.00	253,727,000.00	253,727,000.00	
Pay bill (H. J. Res. 342)		181,416,769.00	181,416,769.00	181,239,469.00	—177,300.00
Coast Guard, 1947		134,920,000.00	134,920,000.00	116,226,000.00	—18,694,000.00
Government corporations, 1947		983,048,848.10	983,048,848.10	60,086,287.00	—922,962,561.10
Second rescission, 1946		135,000,000.00	135,000,000.00	(2)	—135,000,000.00
First supplemental, 1947		3,020,874,510.45	3,020,874,510.45	2,636,480,417.45	—384,385,093.00
Total deficiency and supplemental acts		9,216,790,703.43	9,216,790,703.43	7,491,540,373.32	—1,725,250,330.11
Total, regular, supplemental and deficiency acts	9,603,247,420.66	20,444,862,449.43	30,051,109,870.09	28,459,502,172.48	—1,591,607,697.61
Permanent and indefinite appropriations	7,343,738,410.00	434,000.00	7,344,167,410.00	7,344,167,410.00	
Grand total	16,946,985,830.66	20,445,296,449.43	37,395,277,280.09	35,803,669,582.48	—1,591,607,697.61

¹ The Secretary of the Treasury was authorized and directed to discharge \$921,456,561 of the indebtedness of the Commodity Credit Corporation by canceling notes in that amount, thereby permitting a like reduction in the amount of the estimates submitted. This accounts for \$921,456,561 of the total reduction of \$922,962,561.10.

² \$135,000,000 of lend-lease funds transferred to United Nations Relief and Rehabilitation Administration.

SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION ACT

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in

the RECORD a statement of the Supplemental Surplus Appropriation Rescission Act, 1946, Seventy-ninth Congress, second session.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Supplemental surplus appropriation rescission acts, 1946, 79th Cong., 2d sess.

Title	Cash	Contractual authorization	Corporate funds	Limitation on administrative expenses	Total
First Rescission Act, 1946	\$47,579,587,542	\$4,206,033,879	\$1,120,500	\$9,318,307	\$51,796,130,228
Second Rescission Act, 1946	6,243,217,831	468,673,001	446,890	7,410,000	6,719,747,722
Third Rescission Act, 1946	3,075,090,505	174,178,000			3,249,268,505
Total	56,897,895,878	4,848,884,880	1,637,390	16,728,307	61,765,146,455

Mr. McKELLAR. I ask unanimous consent to have printed in the RECORD a statement of certain appropriations concerning the Army, the Navy, the veterans, the permanent and indefinite appropriations, showing the grand totals, so that the Senate may be fully advised as to what has been appropriated.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

79th Cong., 2d sess.		Permanent and indefinite appropriations	
Military	\$7,263,542,400.00		\$7,344,167,410.00
Navy	4,119,659,300.00	Total, above appropriations	28,881,827,525.00
Veterans:		Grand total, appropriations, including permanent and indefinite appropriations (79th Cong., 2d sess.)	35,803,669,582.48
Veterans' Administration	7,393,966,415.00	Less total for military, Navy, veterans, and permanent and indefinite appropriations (as listed above)	—28,881,827,525.00
Armed forces leave payments	2,431,708,000.00	Total, other appropriations (79th Cong., 2d sess.)	6,921,842,057.48
Housing and facilities for education, etc.	328,784,000.00		
Total	10,154,458,415.00		

TABLE NO. 2.—Aid to dependent children

Average State payment	Federal contributions			
	Existing law		Conference formula	
	First child	Second child	First child	Second child
\$9 or less.....	1 50	1 50	1 66 $\frac{2}{3}$	1 66 $\frac{2}{3}$
\$10.....	\$5.00	\$5.00	\$6.50	\$6.50
\$12.....	\$6.00	\$6.00	\$7.50	\$7.50
\$15.....	\$7.50	\$6.00	\$9.00	\$9.00
\$18.....	\$9.00	\$6.00	\$10.50	\$9.00
\$21.....	\$9.00	\$6.00	\$12.00	\$9.00
\$24 or more.....	\$9.00	\$6.00	\$13.50	\$9.00

¹ Percent.² Ceiling.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

(Mr. JENKINS asked and was given permission to revise and extend his remarks.)

Mr. JENKINS. Mr. Speaker, I appreciate that the Membership is anxious to get away and I shall not take much time, I hope. The House bill, which passed the House by a big majority, provided a straight \$5 increase for every recipient of an old-age pension and every blind individual in the country who has been receiving benefits. I voted for that bill and gave it my active support in committee and on the floor. Now, then, I do not want anybody to go away from here or go back home with the wrong impression. The House bill would have paid every individual \$5. It was my understanding that the House conferees were going to stand by the House action. This bill does not do that. This bill pays every State \$5. Let us have an understanding, and if I am wrong, I want this corrected. There seems to be no agreement among those who were conferees. Take, for instance, a man drawing \$15 a month in State A, we will say. Very well. The Government is going to pay \$10 of that and the State will put up \$5. Very well. There it is. The Government hands out \$5 to that State. But, when that State gets that money the State administrator, the proper official, will say to the individual, "Yes, you are getting \$15 a month, but that is all you are entitled to and you cannot get any more. You cannot get this \$5 that has come from the Government, because we say you are not entitled to any more. Consequently you will not get any more." Now that is what you ought to understand. You cannot go home and tell all these old folks and blind persons that we voted them \$5. We voted the State \$5.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Minnesota.

Mr. JUDD. What does the gentleman think the State will do with that additional \$5?

Mr. JENKINS. That is something I cannot answer for the laws of the several States are different. It is presumed that the State will say, "All right, we will canvass the situation, and if you are entitled to more we will give you more." I hope that the States will be liberal.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Arkansas.

Mr. MILLS. It appears that there could only be two things that the State could do with the additional \$5, in answer to the gentleman from Minnesota. One would be to increase the payments made to old-age recipients by \$5 per month, or else use this \$5, plus the other \$5 coming in from the Federal Treasury, to put more people on the old-age rolls.

Mr. JENKINS. That partially answers the question. Just as I stated in reference to the man who was getting \$15, it might work out that he would not get an extra dollar.

Mr. JUDD. But another man might get \$5.

Mr. MILLS. The handling of the problem is entirely within the control of the Director of the public welfare program in the States.

Mr. JUDD. But the money would have to go for the care of some old people.

Mr. MILLS. That is right. The gentleman is correct.

Mr. BREHM. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. Yes, I am glad to yield to my distinguished colleague from Ohio.

Mr. BREHM. This is all set up on a basis of need. Now, if the investigator finds that the recipient's needs do not show that he is entitled to more, then he will not get any more, regardless of whether or not this bill becomes law. This comes very close to being a deception on the old folks and the handicapped. The only way wherein they may receive additional benefits under this bill is if and when the State of Ohio amends the present law. Simply because the Federal Government agrees to pay two-thirds up to the first \$15 does not guarantee the recipient 1 cent more money, unless the State amends or repeals certain provisions of the State law.

Mr. GORE. If the gentleman will yield, I believe there is a little misunderstanding. According to the report, no \$5 will be paid to a State unless the State pays that amount or some lesser amount or some amount to the recipient of benefits. It is not paid to the State except as that State makes expenditures to the recipients of benefits under its social-security program.

Mr. JENKINS. I am not so sure that the gentleman is right, but I am quite sure that the Congress has provided standards in previous laws to which the States must adhere and by which they are bound. I am sure the money will not be used for any other purposes, but I still insist that you cannot go home and say to every old-age pensioner you meet, "You are going to get \$5 more," because that is not true. Many of them may not get \$5 more, and they may not get \$1 more.

Mr. Speaker, this matter that we have been discussing will, I am afraid, raise some serious misunderstandings. For instance let me use an illustration with reference to the Ohio law. Under the Ohio law the State can pay up to \$20 a month. That with the \$20 a month which the Federal Government would pay would entitle an applicant to receive the maximum of \$40. If the conferees had ap-

proved the bill which the House has heretofore passed that individual would receive \$5 additional from the Government if the State of Ohio would match it with \$5. Under the present law of Ohio, the State could not do that because \$20 is the limit. But I am sure that if the conferees had approved the bill which the House has already passed that the State of Ohio would convene its legislature immediately and would provide for an additional \$5 with a result that the maximum from both the State and Federal contributions would be \$50.

Under the recommendations of this conference report the situation would be somewhat different in Ohio. In the instance to which I have referred where a pensioner would be drawing a total of \$40 the computation would be made difficult. The first \$15 which that individual is now drawing would be paid with \$5 from the State and \$10 from the Federal Government. That would leave the State to pay an additional \$15 if it wants to pay the same amount that it was now paying. If it did pay that additional \$15 that would be a total of \$20 for the State to pay. Then the Federal Government having already paid \$10 would match the \$15 which the State would pay with a \$15 payment with the result that the Federal Government would be paying \$25. The pensioner would thereby be drawing \$20 from the State and \$25 from the Federal Government or a total of \$45. In this case it would appear to me that it would not be necessary to amend the Ohio law in order for this pensioner to draw \$45.

On the other hand, if the State of Ohio would not be willing to pay a total of \$20 in cooperation with the Federal law as it will be written when this conference report is accepted by the House and the Senate and the President, then it is perfectly possible that the person in Ohio who is drawing a \$40 pension might not get any increase. I have no doubt but that the State of Ohio will do its part in this matter and that as a final result of the passage of this legislation those receiving old-age pensions and blind pensions may receive an increase in their pensions, and the dependent children will likewise receive a corresponding increase. If the State authorities will not meet this offer which the Federal Government is making through the passage of this legislation, then I shall be disappointed.

While pensions to the aged and the blind and payments to the dependent children are always very important and while these provisions are probably the most important in this bill that we are considering, yet I must say that there are other very important matters included in this legislation. I shall not take time to discuss all of them. I shall discuss at least one of them.

In this respect I refer to that provision of the Social Security Act known as Title II—Old-Age and Survivors Insurance. This is commonly known as social security. In this connection I might digress long enough to say that the social-security legislation is probably the most far-reaching and comprehensive piece of legislation ever passed by Congress. It comprises 10 separate titles. Title I deals with old-age pensions. Title

It deals with old-age and survivors pensions, commonly known as social security. Title III provides for assistance for dependent children. And title X provides for assistance to the blind, commonly known as blind pensions. I take considerable pride in the fact that I am generally considered as having been the author of the blind-pension law.

At the present time the employers of the country pay into a fund 1 percent of the pay roll of their employees and the employees likewise pay into this fund 1 percent of the wages which they receive. This fund now has a surplus of more than \$7,000,000,000. The original law passed several years ago provided that these payments should be increased at certain stated periods. For the past 3 or 4 years Congress has amended this law so as to freeze the rate at 1 percent. Last year when Congress passed this freezing law, it further provided that after 1 year, the 1st of January 1947, the rate should jump to 2½ percent from the employer and 2½ percent from the employee. The bill which we are now considering under this conference report freezes these payments again for another year at 1 percent. This is done because employment in the country is at a high rate and the demands for benefits under the law are not unusually heavy and it is considered by both employer and employee that it would be advisable to continue the present rate. Without the passage of this freezing legislation, the rates of each group would jump to 2½ percent.

I am, therefore, very glad that this bill contains this freezing provision.

Mr. Speaker, other provisions of this proposed legislation are worthy but I felt, however, that when we included the maritime workers under the coverage of the social-security laws that we might well have included other groups comprising a large number of our citizens. I refer to the nurses and the social workers and the local employees. Likewise, there are many workers classified as agricultural employees that might well have been brought within the coverage of this law. I refer to those who work in canneries and packing sheds.

By way of justification for including the maritime workers, their employment differs somewhat from employment of other groups that I have mentioned in that they are employed by the Government, and the Government assumes the responsibility of paying the benefits to be derived under such coverage.

Mr. Speaker, I am glad that we have been able to defeat the variable grants provision of the bill passed by the Senate. I was very much disappointed that the Senate added these amendments to the House bill in view of the fact that it was well known that the Ways and Means Committee of the House has worked for months in preparing and drawing this legislation and it was also well known that the House had passed its legislation after a most intelligent and searching debate.

My opposition to the variable grants is based on the fact that when the original social-security bill was being pre-

pared in 1935, it was prepared on the basis that all Federal payments should be made only on a matching basis. I was a member of the Ways and Means Committee and participated actively in the preparation of the first social-security bill. The philosophy of title I of the bill is that the Federal Government in a desire to encourage the States to make adequate provision for the aged would offer to pay every deserving aged person in the country \$15 a month only if and when the State in which he lived would pay the same amount and would agree to abide by certain stipulated regulations. The original bill would not have been passed except on that well-grounded basis of 50-50 matching. Later in 1939 when the original bill was amended no effort was made to change the matching formula.

Under the variable-grants plan, money of the States would pay into the fund at the rate of \$2 while they would only take out of the fund \$1. On the other hand, many States would only pay in \$1 and would take out \$2. The variable-grants system is not right morally or fiscally. It is not right and fair for a State where the average wages are high to be compelled to pay old-age pensions to persons in States that are sufficiently able to pay their own pensions. The fact that their average wages may be low is no reason. If they are satisfied to have their people live on low wages, then it is only natural that the amount that they would be willing to pay their old folks would be small.

Another very important factor in this matching program is that the local authorities are best able to know and judge who are entitled to old-age assistance and how much assistance they should have. If the people of the Southern States are satisfied to pay small pensions, why should Congress be worried about it? I know that that was one of the basic factors that we considered when we drew up the original social-security law.

Therefore, Mr. Speaker, while I am not entirely satisfied with this legislation, I am glad that we have increased the contribution for the aged and the blind and the dependent children, and I am also glad that we have frozen the contribution provision under title II, and I am also glad that we have maintained the principle of matching dollar for dollar as we originally intended to do. I am especially glad that the Congress has stood firm against the threat of variable grants. I hope that those States whose representatives have been so insistent upon variable grants will bestir themselves and increase these payments to these deserving groups that live in their States, just as the other States of the Union have done. We should not wreck social security on the treacherous rocks of variable grants.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BUFFETT (at the request of Mr. CURTIS) was given permission to extend his remarks in the RECORD.

FIRST SUPPLEMENTAL APPROPRIATION BILL, 1947—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the joint resolution (H. J. Res. 390) making additional appropriations for the fiscal year ending June 30, 1947, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 1, 1946.)

Mr. CANNON of Missouri. Mr. Speaker, several times we have been under the impression that we were submitting the last appropriation bill only to later be disillusioned. We are certain, however, this time that this is the last appropriation bill to be offered in the Seventy-ninth Congress.

We present this complete conference report, and with it 15 amendments which must be considered separately, not because there was any disagreement on the part of the conferees, but because the rules require separate consideration in the House.

The joint resolution, when it passed the House, carried appropriations totaling \$2,479,663,210.45. As it passed the Senate, it carried \$2,796,612,917.45. As we present it to you, including the recommendations that will be made respecting amendments brought back in technical disagreement, the measure would appropriate a total of \$2,636,489,417.45, and that amount is \$384,385,093 under the Budget estimates.

The major item in the bill, as you know, is the one providing for terminal leave pay for members and former members of the armed services below commissioned status. The amount in the bill for that purpose is \$2,431,708,000.

The Senate placed a number of amendments on the bill, some generously providing for the Senate, one restoring and amount eliminated by the House for the procurement of strategic and critical materials, and the remainder providing appropriation implementation for recently enacted legislation or legislation in course of enactment for various and sundry purposes. The impression seems to prevail that whenever a bill is passed authorizing the appropriation of funds, that the funds should be appropriated forthwith, instead of waiting until the next Budget, which practice was quite generally followed in the days when we were disposed to weigh the drafts we voted upon the Treasury.

This measure unquestionably contains appropriations for some projects which should have awaited the consideration of the next Congress; which should have been held in abeyance until there would

be time to consider the estimates and to give consideration to their relative importance in arriving at an appropriation and expenditure ceiling looking beyond the close of the present calendar year, when we begin predetermining appropriation and expenditure ceilings.

The President yesterday issued an order to all governmental agencies calling for reduced expenditures. It is a splendid statement embodying a great program by a great President.

Such a course is essential to the achievement of a balanced budget, and a lower tax burden. I often wonder if we fully realize our responsibility in the ordering of the Nation's economy. We authorize and we appropriate and lately we have not been overlooking ourselves. The need for economy exists here as well as in other branches of the Government, and I should say more so, because here is the fountainhead of all Federal spending.

I trust that in the next Congress we will have been sufficiently in touch with the people to realize that it is their wish and thought that we should follow his program in the reduction of expenditures.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. I would like to know why the people of this country should have any reason to believe that the statement which the President made is going to eventuate in the saving of a single dime as far as the Federal Treasury is concerned.

Mr. CANNON of Missouri. That is easily answered. If you will simply watch developments from now on you will have your answer—and a very convincing one—in actually reduced expenditures.

Mr. SMITH of Ohio. From now on?

Mr. CANNON of Missouri. It is just a question of demonstration. It will reduce expenditures.

Mr. SMITH of Ohio. When?

Mr. CANNON of Missouri. Beginning immediately.

Mr. SMITH of Ohio. Well, we cannot do very much about it now. Congress is not going to be in session.

Mr. CANNON of Missouri. Congress is not involved in the President's program. Possibly he will be able to do better with Congress away. The President's direction will result in a tightening in every departmental agency, a reduction of personnel and economy of operation that will save a material sum between now and the meeting of the next session of Congress.

Mr. SMITH of Ohio. Would the gentleman care to name any figure, name any amount that is going to be saved?

Mr. CANNON of Missouri. The gentleman, himself, must know it is impossible to say, but it will be a substantial amount. The Congress itself has saved a very large amount by reducing appropriations and through the rescission of appropriations has saved over \$64,000,000,000. We have made a record without parallel in the fiscal history of the country. But I want to say that the President has cooperated with us in doing

that. He assisted us in a very material way. The minute the war ended the Committee on Appropriations hurried back here to start an economy program. Before we could get back the President had frozen every dollar thereby holding funds which were subject to expenditure until the Congress could take action, and until the Committee on Appropriations could hold hearings and get a bill in. He has cooperated spontaneously and wholeheartedly, and we could not have saved this vast sum of \$64,000,000,000 without his active cooperation. He has saved more money since the close of the war than any one President that ever served in the White House from Washington down to the present time.

Mr. Speaker, when I presented the conference report on the third Deficiency Appropriation Bill, 1946, on July 19, 1946, it then appeared that apart from a measure that would need later to be presented to effectuate terminal leave pay legislation for noncommissioned members and former members of the armed services, our appropriation work was done.

Consequently, I included as a part of my remarks that day a summation of appropriations for the session, contrasting them with Budget estimates, and submitted some pertinent remarks on the Federal fiscal situation generally.

The general remarks I then made I see no occasion to change. The table I then presented, of course, needs to be modified, and I submit, therefore, a recast thereof at this time:

Comparative statement of estimates of appropriations submitted during the second session of the 79th Cong. and of appropriations made during such session

Bill	Estimates	Appropriations	Increase (+) or decrease (—)
Regular annual bills, 1947:			
Department of Agriculture.....	\$590,405,672	\$581,240,121	—\$9,165,551
District of Columbia.....	81,505,000	76,755,009	—4,749,991
Independent offices.....	5,140,876,502	5,094,976,677	—45,899,825
Interior Department.....	350,357,230	247,167,036	—103,190,194
Department of Labor, Federal Security Agency, and related independent agencies:			
Labor.....	121,701,100	140,456,443	+18,755,343
Federal Security Agency.....	736,569,300	696,183,527	—40,385,773
Related agencies.....	319,805,500	318,375,700	—1,429,800
Total.....	1,178,075,900	1,155,015,670	—23,060,230
Legislative branch.....	58,339,134	53,809,736	—4,529,398
Military.....	7,208,207,429	7,263,542,400	+55,334,971
Navy.....	3,765,399,000	4,119,659,300	+354,260,300
State, Justice, and Commerce Departments, and Judiciary:			
State.....	134,887,831	128,008,752	—6,879,079
Justice.....	98,063,050	99,752,250	+1,689,200
Commerce.....	238,755,000	193,884,720	—44,870,280
The Judiciary.....	16,591,720	16,057,490	—534,230
Total.....	488,297,601	437,703,212	—50,594,389
Treasury and Post Office Departments:			
Treasury.....	335,078,000	325,290,250	—9,787,750
Post Office.....	1,298,239,190	1,279,571,890	—18,667,300
Total.....	1,634,217,190	1,604,862,140	—29,355,050
War Department—civil functions.....	338,638,509	333,230,498	—5,408,011
Coast Guard.....	134,920,000	116,226,000	—18,694,000
Government corporations.....	983,048,848	60,086,287	—922,962,561
Total, regular annual bills.....	21,952,283,015	21,144,274,086	—808,013,929
Supplemental, deficiency, and miscellaneous bills:			
Urgent deficiency bill, 1946.....	3,713,000	3,347,200	—365,800
Second urgent deficiency bill, 1946.....	362,879,807	364,114,807	+1,235,000
Third urgent deficiency bill, 1946.....	676,444,961	661,847,988	—14,596,973
Second deficiency bill, 1946.....	71,198,695	61,601,337	—9,597,358
Third deficiency bill, 1946.....	13,028,567,112	2,652,860,866	—10,375,706,246
Miscellaneous (House joint resolutions).....	935,143,769	934,966,469	—177,300
First supplemental appropriation bill, 1947.....	3,020,874,510	2,636,489,417	—384,385,093
Total, supplemental, deficiency, and miscellaneous bills.....	8,098,821,854	7,315,228,084	—783,593,770
Permanent and indefinite appropriations.....	7,344,167,410	7,344,167,410	—
Grand total.....	37,395,277,279	35,803,669,580	—1,591,607,699

¹ Includes \$135,000,000 for UNRRA provided for in Second Supplemental Surplus Appropriation Rescission Act, 1946.

² Excludes amounts in private and public laws for the payment of claims, which may aggregate \$2,000,000 more or less.

The revision makes the total of the estimates \$37,395,277,279, the total of the appropriations \$35,803,669,580, and the total of the difference between the estimates and the appropriations \$1,591,607,699. The last amount represents the reduction this session of the Congress has effected, which excludes the rescissions previously made of obligatory availability in the amount of \$64,328,230,565. I submit that as an incomparable retrenchment, an all-time record for retrenchment and economy in the history of this or any other nation.

As I pointed out in my remarks of July 19, the large increase in the estimates and in the appropriations over the Budget projected totals last January is responsive to demands way and beyond the conception of anyone for appropriately looking after our veterans. The total appropriation for that purpose for the session, including the amount in this bill, is \$10,154,401,415, and that amount excludes appropriations of various agencies in connection with job training and placement of veterans and various other expenses on their account which demobilization has occasioned.

The original budget for the current fiscal year included estimates of appropriations for the Veterans' Administration in the total amount of \$4,934,623,500. It also contemplated supplemental appropriations for all Federal purposes of \$875,000,000, which would include supplemental appropriations on account of veterans.

Assuming that half of the latter amount represented a contingent supplemental need for veterans, that would make the originally projected total for veterans \$5,372,123,500. Instead, as I have indicated, the total of the estimates turned out to be \$10,401,667,500, or an excess of \$5,029,544,000.

The total of the estimates for all purposes projected back in January was \$30,668,151,830. As earlier indicated, they have turned out to aggregate \$37,395,277,279. Omitting the increase for veterans, the excess becomes \$1,697,581,449.

The record speaks for the administration, and, as I said in my remarks of July 19, 1946, evidences a determined effort to maintain the fiscal program mapped out and publicized last January.

Mr. STEFAN. Mr. Speaker, will the gentleman yield at that point?

Mr. CANNON of Missouri. I yield to the gentleman from Nebraska.

Mr. STEFAN. That is not really the total appropriation for the fiscal year, is it?

Mr. CANNON of Missouri. Practically so; for veterans, yes.

The original budget for the current fiscal year included estimates of appropriation from the Veterans' Administration in the total amount of \$4,934,623,500. It also contemplated supplemental appropriations for all Federal purposes of \$875,000,000, which would include supplemental appropriations on account of the veterans. Assuming that half of the latter amount represented a contingent supplemental need for veterans, it would make the originally projected total for veterans \$5,372,123,500. I wish you would remember that amount. That was the

amount that fairly may be said as having originally been projected for that purpose, for our veterans, a little over \$5,000,000,000. Instead of that, as we have shown here, the total of the estimates turned out to be not \$5,000,000,000 but \$10,401,667,500, an excess of \$5,029,544,000.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. What part of that amount, \$10,400,000,000 for veterans, was intended to provide housing for veterans? Can the gentleman give us any information on that?

Mr. CANNON of Missouri. Something over \$250,000,000 at this session.

Mr. WHITTINGTON. There was something like \$250,000,000 for housing.

Mr. CANNON of Missouri. I should like to again call to your attention a table I used at the time the Third Deficiency Appropriation bill was under consideration—adapted to the final figures as included in this bill, and I wish I could have the careful attention of the House on this one item because it is highly significant. This list includes what we might call untouchable items, that is, items of appropriation by the Federal Government from the Federal Treasury which cannot be reduced. They are the irreducible minimum for the purposes contemplated. The first item is interest on the public debt, \$5,000,000,000. That must be paid, it cannot be reduced; you have no latitude nor any option about it. Five billion dollars must be provided for the payment of interest on the public debt.

Statutory debt retirement, \$592,000,000, required by law.

Internal revenue and customs refunds, from which there is no escape, \$1,585,000,000.

For the Army and the Navy, even reducing as we have to the lowest possible amount to maintain the Army and the Navy, we must have at the very lowest estimate \$11,000,000,000.

Let me summarize the amounts:

Interest on the public debt...	\$5,000,000,000
Statutory debt retirement...	592,000,000
Internal revenue and customs refunds.....	1,585,000,000
Army and Navy.....	11,000,000,000
Veterans	10,154,401,415

A total of..... 28,331,401,415

Those are "must" items. The difference between such total and the total of appropriations for the session for all other purposes of government is \$7,472,268,165. By far the greater portion of the reduction of \$1,591,607,699 we have effected applies to the "other purposes." It would have been considerably more had the recommendations of the Committee on Appropriations prevailed.

But what I wish to impress upon you is the limited field for wielding the pruning knife. Do not look at totals for agencies. Examine their component parts and you will better understand the problem.

For the veterans, as I have indicated here, \$10,154,401,415. In other words, Mr. Speaker, before we can spend a dollar, we must provide enough to take care

of these items over which we have no control—a total of \$28,331,401,415. These are "must" items. The difference between such total and the total of appropriations for this session for other purposes of government is \$7,472,268,165. In other words, we have reduced in this session of the Congress the appropriations for all other purposes, and that includes additional provision for increased pay of personnel, which is an astounding sum in response to legislation of the Congress, to a little over \$7,000,000,000.

Mr. Speaker, that is another record. With all of the problems of reconversion, getting out of the war, liquidation of wartime agencies and activities, we have reduced the expenditures outside of the untouchables to \$7,000,000,000. That is an achievement in retrenchment and economy without precedent in committee annals.

Mr. Speaker, we hear some wild statements that tremendous savings are practical. I was amazed a few days ago to read in one of the local newspapers an article. I will read it to you:

KNUTSON SAYS GOP HOUSE WOULD CUT INCOME TAX

Representative KNUTSON, of Minnesota, top minority member of the tax-framing House Ways and Means Committee, said today that election of a Republican House next November will mean a 20-percent cut in personal income taxes for 1947.

In a letter to Leland W. Scott, Minneapolis attorney, Mr. KNUTSON also said such an election outcome would mean a reduction in "Federal consumer taxes."

Mr. KNUTSON said this would be made possible by a 50-percent cut in Federal expenses. Copies of the letter were given reporters.

That is just plain unadulterated buncombe. Utterances of that kind from responsible sources and voiced by men in high position in this body on either side of the aisle reflect no credit upon those who make them and are a distinct hurt to the general welfare. This is no time to be misleading the people or to be building up false hopes.

In contradistinction to the AP item I have just read, I should like to read an excerpt from Mr. Ernest Lindley's column in the Washington Post of July 30, 1946. Said Mr. Lindley:

Apart from the armed forces, there are no big economies which can be made in the cost of the Federal Government in the visible future. Small cuts can be made here and there—and in many cases should be in the interest of efficient operation. The Federal public works program ought to be held to a minimum for the present, until other demands for labor and materials have slackened. Some expenditures in this category can be postponed.

The big problem in putting the Federal budget in the black and producing a surplus is not, however, on the side of expenditures. It is on the side of income.

The answer lies in the readiness of the administration to recommend and of Congress to maintain sufficiently high taxation. This means taxation at least as high, on the average, as we have now—perhaps higher. Talk of important tax reduction is demagoguery if the American people want to put the budget in the black and whittle down the national debt and unless they are willing to gamble with their lives and civilization by scuttling the armed forces, as they did after the First World War.

That expresses the views of a long-time student of our Federal fiscal problems, one who has no interest beyond service to the public. I will go along with Mr. Lindley with this reservation: Expenditures flow from appropriations, and appropriations flow from legislative authorizations. If there were more resistance here to legislation, legislation mandating the Committee on Appropriations to report appropriations, the demand for income and upon income would be that much lessened.

One worthwhile provision which the streamlining bill might have included was one requiring reports on legislative bills to show conspicuously the estimated cost and the expenditure demands by fiscal years, and what the impact of the bill would be upon the projected and legislatively approved appropriation ceiling. Among other advantages which might result would be less talking one way and voting another.

Mr. KNUTSON. I thought I heard the gentleman mention me. If by any great misfortune to the country we should have a Republican House, it is going to cut income taxes 50 percent.

Mr. CANNON of Missouri. Mr. Speaker, the gentleman from Minnesota is going to cut Federal expenses by 50 percent. How? What do you have here? You have here \$28,000,000,000 that cannot be touched—interest on the public debt, statutory debt retirement, revenue and custom refunds, Army and Navy, and veterans. There are \$28,000,000,000 for those purposes of which you cannot cut 1 penny, cannot cut them 1 penny, including the gentleman from Minnesota and his Republican brethren. In addition to those demands, there are only \$7,000,000,000. If the gentleman from Minnesota were to wipe out every dollar, if he refused to appropriate a single dollar except that which was required for the public debt, interest, and so forth, he could only operate on \$7,000,000,000. Why, upon the very face of it the newspaper release attributed to him is inaccurate to the point of absurdity. Of course, I am charitable; I realize it is necessary for the gentleman to promulgate partisan utterances, and I have no objection to that. But nobody should take him seriously, and I am certain nobody will take him seriously.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Of course, when I made that statement I was going on the assumption that the Republicans were going to control the next Congress, and they would cut out all this waste.

Mr. CANNON of Missouri. That is no answer. You cannot do the impossible. Regardless of who controls the House, they will be confronted with \$28,000,000,000 of untouchable obligations.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. The gentleman has referred to the appropriation carried in this bill of \$2,431,708 to provide terminal leave pay for the enlisted men. That is somewhat of a fiction. As a

matter of fact, that money is to be available not to the enlisted men, but to the Treasury of the United States to provide, under the terms of this bill and the authorization that we passed the other day, for the issuance of bonds. Personally, I think it is most unfortunate that these enlisted men have to get bonds, and that this language really ought to be explained in connection with this bill, because it does not provide money for these enlisted men but merely for the issuance of bonds and the payment of this amount to the Treasury of the United States.

Mr. CANNON of Missouri. That was debated here when this resolution was before the House originally, and the House provided the money. When we consider the legislative bill dealing with the matter, we thought that the boys ought to have the cash, but when the bill went to conference with the other body, we could not get a bill at all unless we agreed to resort to bonds, but whether the terminal-leave pay is paid in cash or bonds, the technical requirements are such that we have to appropriate the money, and we are appropriating the money.

Mr. WHITTINGTON. I think it is in order for the gentleman to say that this is a technical requirement so that the boys of the country will not be misled.

Mr. CANNON of Missouri. There is nothing misleading about it; so far as I know, the money is being made available to pay cash or for bonds as and when issued. Some of these bonds mature immediately, I would say to the gentleman. The authorization act is retroactive to 1939, and it is impossible to know how much will be needed and when it will be needed to pay those of immediate maturity. There is no alternative but to appropriate the entire amount that will be needed for expenditure in the present fiscal year.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to ask the distinguished gentleman from Minnesota this question. I am sure he knows that I was one of nine Members of the House who voted against the tax reduction of 1945. I would like to ask the gentleman from Minnesota whether he thinks he would not have rendered a better service to the country to have limited the carry-back clause on excess-profits taxes?

Mr. CANNON of Missouri. I hear no answer.

Mr. Speaker, may I also call attention to the disparity between the total of the appropriations for the session I have given, namely, \$35,803,669,580, and the total for the session given by the ranking minority member of the committee, the gentleman from New York, Hon. JOHN TABER. Mr. TABER's statement appears in the RECORD of July 24. The total he gives is \$39,504,734,744. Were he here, he would need to add to that sum the amount carried by this joint resolution, which would increase his total to \$42,141,224,161. That amount exceeds the total I have given by \$6,337,554,581, which is a very appreciable discrepancy. The difference results first

from the gentleman from New York [Mr. TABER] adding in self-liquidating trust accounts; a matter of \$4,662,090,704. They are estimates—not appropriations—of amounts the Treasury will pay out of trust funds on deposit, and are not classed as appropriations. Again, the gentleman from New York [Mr. TABER] adds in reappropriations, which heretofore have been charged as appropriations. They are in the deferred expenditure category, and charged again as appropriations, would be apt to mislead in any comparison of appropriations by sessions or fiscal years. The gentleman from New York [Mr. TABER] also includes the diversion of previously appropriated continuing funds, heretofore charged as appropriations, and, also, the doubtful employment of naval stock account capital, which exists in consequence of appropriations heretofore made and charged. Again, the gentleman from New York [Mr. TABER] includes \$921,000,000 plus for which an appropriation was requested and refused for canceling Commodity Credit Corporation notes held by the Treasury Department. Instead of appropriating the money out of one pocket, to be placed in another, the Congress has approved the committee's recommendation to cancel the notes, and, therefore, effected a reduction of the amount indicated in the amount appropriated. To treat the matter otherwise would be mixing expenditure transactions with appropriations, and not in any sense a current expenditure transaction. Lastly, the gentleman from New York [Mr. TABER] includes loan authorizations by the RFC under the Department of Agriculture. They have no place in an appropriation statement.

That, I should say, about accounts for the difference. The figures I have given are figures which have a proper place in an appropriation statement, and exclude amounts which do not fairly or appropriately belong therein.

Mr. Speaker, in closing I wish to congratulate the Committee on Appropriations on the exceptional record it has made. It has contributed its part to making this one of the outstanding Congresses in the history of the Nation.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I do not propose at this time to enter into a diagnosis of the frightful financial conditions into which the present administration has led the Nation during the last 13 years.

I may point out in passing, however, that this appropriation bill is the last of a series of appropriation bills in this session of the Congress for the fiscal year 1947, in respect to which the Budget estimates of the President amounted to almost \$40,000,000,000.

That is \$40,000,000,000 in a peacetime year. That is four times our prewar Budget. That comes on top of a national debt which, if contingent liabilities are included, amounted on December 29, 1945, according to the Bureau of the Budget to \$663,753,721,386.75.

Mr. Speaker, as far as this report is concerned, I may say that, when the bill

left the House it carried \$2,479,000,000 or thereabouts. In the other body, about \$316,000,000 was added. In conference, about \$160,000,000 of that increase was eliminated. So that the bill before you today carries \$2,636,000,000 or thereabouts, \$156,000,000 more than it carried when it left the House but still \$384,000,000 below the Budget figures.

I believe that certain items in this bill could have waited and that certain other items could have been further reduced.

But the bill carries funds for terminal leave and it carries funds for amputee legislation. The report is a unanimous report by the conferees and I trust it will be speedily adopted.

[Mr. CROSSER addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 1, line 9, insert the following:

"SENATE

"To enable the Secretary of the Senate to make the additional disbursements and to perform the additional duties and functions required of his office by reason of the enactment of the Legislative Reorganization Act of 1946, fiscal year 1947, \$173,667; and he is hereby authorized to allocate necessary portions of the said sum to the various Senate appropriations and to make transfers between same, including those contained in the Legislative Branch Appropriation Act for the fiscal year 1947 and those provided for in the said Reorganization Act: *Provided, however,* That the positions and funds now allocated to any Senator or to any standing committee chairman shall be continued until March 31, 1947, unless otherwise directed by the Senator or the chairman."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur in the same with an amendment, as follows:

In line 6 of the matter inserted by said amendment, after the word "authorized", insert ", subject to the approval of the chairman of the Committee To Audit and Control the Contingent Expenses of the Senate (Committee on Rules and Administration, if and when elected)."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 2, line 12, insert the following:

"ADMINISTRATIVE ASSISTANTS TO SENATORS

"For compensation of an administrative assistant to each Senator, to be appointed by him, at a base salary of not to exceed \$8,000 per year, to assist him in carrying out his departmental business and other duties, fiscal year 1947, \$384,000, or so much thereof as may be necessary, to be available at the beginning of the Eightieth Congress."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede

and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: Page 2, line 19, insert the following:

"SENATE POLICY COMMITTEE

"For maintenance of a staff for a majority policy committee and a minority policy committee in the Senate, consisting of seven members each, for the formulation of overall legislative policy of the respective parties, the members of such staffs to assist in study, analysis, and research on problem involved in policy determinations, and to be appointed, and their compensation fixed, by the policy committee concerned, at rates not to exceed \$8,000 per annum in any case, \$15,000 for each such committee, in all, fiscal year 1947, \$30,000, to be available at the beginning of the Eightieth Congress."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement:

The Clerk read as follows:

Senate amendment No. 11: Page 8, line 5, insert the following:

"FEDERAL SECURITY AGENCY"

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: On page 8, line 6, insert the following:

"Grants to States for maternal and child-health services: For an additional amount, fiscal year 1947, for grants to States for maternal and child-health services, including Department of Labor Appropriation Acts, 1947, \$9,180,000."

Mr. CANNON of Missouri. Mr. Speaker, I move to recede and concur with an amendment, which I send to the desk.

The Clerk read as follows:

Mr. CANNON of Missouri moves to recede and concur with an amendment as follows: In lieu of the sum named in said amendment, insert "\$6,885,000: *Provided,* That such additional amounts shall be allotted on a pro rata basis among the several States in proportion to the amounts to which the respective States are entitled for each fiscal year by reason of section 401 of the Social Security Act amendments of 1946."

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. JUDD. May I ask the chairman of the committee, the additional funds granted in these amendments 12, 13, and 14 do not contemplate the Children's Bureau entering into any new program, is that right?

Mr. CANNON of Missouri. The only change we propose is to conform with Budget Bureau recommendations.

Mr. JUDD. It merely gives them more money for the same kind of program? It does not extend the kind of work they can do?

Mr. CANNON of Missouri. The changes are in response to the provisions of the new Social Security Act amendments of 1946.

Mr. JUDD. The one we just passed a few minutes ago?

Mr. CANNON of Missouri. Yes.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 13: Page 8, line 11, insert:

"Grants to States for services for crippled children: For an additional amount, fiscal year 1947, for grants to States for services for crippled children, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, \$6,130,000."

Mr. CANNON of Missouri. Mr. Speaker, I move to recede and concur with an amendment, which I send to the desk.

The Clerk read as follows:

Mr. CANNON of Missouri moves to recede and concur with an amendment as follows: In lieu of the sum named in said amendment, insert "\$4,597,500: *Provided,* That such additional amounts shall be allotted on a pro rata basis among the several States in proportion to the amounts to which the respective States are entitled for each fiscal year by reason of section 401 of the Social Security Act amendments of 1946."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 14: Page 8, line 16, insert:

"Grants to States for child-welfare services: For an additional amount, fiscal year 1947, for grants to States for child-welfare services, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, \$3,490,000."

Mr. CANNON of Missouri. Mr. Speaker, I move to recede and concur with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves to recede and concur in the Senate amendment No. 14 with an amendment as follows: In lieu of the sum named in said amendment, insert: "\$2,617,500: *Provided,* That such additional amounts shall be allotted on a pro rata basis among the several States in proportion to the amounts to which the respective States are entitled for each fiscal year by reason of section 401 of the Social Security Act amendments of 1946."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 15: Page 8, line 21, insert: "Salaries and expenses, maternal and child welfare: For an additional amount, fiscal year 1947, for salaries and expenses, maternal and child welfare, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, and including also travel, printing and binding, penalty mail, contingent and other expenses, \$925,500."

Mr. CANNON of Missouri. Mr. Speaker, I move to recede and concur with an amendment, which I send to the desk.

The Clerk read as follows:

Mr. CANNON of Missouri moves to recede and concur in the Senate amendment No. 15 with an amendment as follows: In lieu of the sum named in said amendment, insert "\$425,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 16: Page 9, line 3, insert:
"The appropriations contained in the four preceding paragraphs shall not be available for obligation until the enactment into law of H. R. 7037, Seventy-ninth Congress."

Mr. CANNON of Missouri. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 17: page 9, line 6, insert:

"PUBLIC HEALTH SERVICE"

Mr. CANNON of Missouri. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20. Page 10, line 14, insert:

"Hospital and construction activities: For carrying out the provisions of title VI of the Public Health Service Act as amended (S. 191), fiscal year 1947, including travel; printing and binding; the objects specified in the paragraph immediately following the caption 'Public Health Service' in the Federal Security Agency Appropriation Act, 1947; and the purchase of eight passenger automobiles; \$2,425,000, of which not to exceed \$147,147 may be transferred to the appropriation 'Pay, and so forth, commissioned officers, Public Health Service,' for not to exceed 28 commissioned officers, and not to exceed \$41,680 may be transferred to the appropriation 'Salaries, Office of the General Counsel,' Office of the Administrator, Federal Security Agency: *Provided*, That this appropriation shall be available for personal services without regard to section 14 (a) of the Federal Employees Pay Act of 1946: *Provided further*, That the availability of this appropriation is contingent upon the enactment into law of said S. 191."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur in the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

"Hospital and construction activities: For carrying out the provisions of title VI of the Public Health Service Act as amended (S. 191), fiscal year 1947, including travel; printing, and binding; the objects specified in the paragraph immediately following the caption 'Public Health Service' in the Federal Security Agency Appropriation Act, 1947; and the purchase of eight passenger automobiles; \$2,350,000, of which not to exceed \$120,600 may be transferred to the appropriation 'Pay, etc., commissioned officers, Public Health Service' for not to exceed 28 commissioned officers, and not to exceed \$34,175 may be transferred to the appropriation 'Salaries, Office of the General Counsel,' Office of the Administrator, Federal Security Agency: *Provided*, That the availability of this appropriation is contingent upon the enactment into law of said S. 191."

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24. Page 13, line 22, insert:

"VETERANS' ADMINISTRATION"

"Automobiles and other conveyances for disabled veterans: To enable the Administrator of Veterans' Affairs to provide an automobile or other conveyance, equipped with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II, whether or not discharged from service, who (1) is entitled to disability compensation or pension under the laws administered by the Veterans' Administration, and (2) is unable, because of the loss, or loss of use, of one or both lower limbs, to use normal means of locomotion or ambulation: *Provided*, That no part of the money appropriated by this paragraph shall be used for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance under the provisions of this paragraph until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others, and will be licensed to operate such automobile or other conveyance by the State of his residence, \$30,000,000, to remain available until expended."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate No. 24, and concur in the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"VETERANS' ADMINISTRATION"

"Automobiles and other conveyances for disabled veterans: To enable the Administrator of Veterans' Affairs to provide an automobile or other conveyance, at a cost per vehicle or conveyance of not to exceed \$1,600, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II who is entitled to compensation for the loss, or loss of use, of one or both legs at or above the ankle under the laws administered by the Veterans' Administration, \$30,000,000: *Provided*, That no part of the money appropriated by this paragraph shall be used for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance under the provisions of this paragraph until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided further*, That under such regulations as the Administrator may prescribe the furnishing of such automobile or other conveyance shall be accomplished by the Administrator paying the total purchase price to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran."

Mr. CANNON of Missouri. Mr. Speaker, this amendment, which has probably attracted as much attention as any single provision in the bill, has been very carefully worked out with General Bradley and his assistants.

The only difference in this amendment and the original Senate version is that we restrict it to service-connected disabilities.

Additional differences are:

A cost limitation on the vehicle or conveyance to be supplied.

Limitation to actual compensation cases, which would mean men out of the armed services.

Clarity as to the incapacity to conform with present Veterans' Administration interpretations of existing law. Without the amendment, the loss of a limb would be interpreted a loss from the torso down. The amendment makes it definitely a loss of any part of the leg from the ankle up, and General Bradley said in interpreting the language of the amendment, if a foot were virtually useless, the sufferer would be qualified.

Provision pertains to procurement procedure, which obviously is essential.

Mr. Speaker, I now yield 5 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Speaker, I believe that those who were wounded in the service of their country, and the widows and dependents of those who sacrificed their all for their country, are entitled to the Nation's bounty. When a similar bill, the so-called amputees' bill, H. R. 7171, was before the House on Tuesday, July 30, 1946, under unanimous consent request for its immediate consideration without debate, and without amendment, I objected, and insisted there should be opportunity for careful debate and amendment.

It was my view then and it is my view now that the subject matter of this legislation should be further and more carefully considered by the Committee on World War Veterans' Legislation, and by Congress. I was of the opinion that the legislation discriminated against men who had lost their lower limbs, one or both legs below the knee, and I insisted that while it provided for additional benefits for those who had lost one or both of their legs at or above the knee, no benefits were provided for the sightless, for those who had lost their eyes, and none for the armless, those who had lost their arms, none for those from whose backs vertebrae had been taken, none for those who had been burned and otherwise sorely disabled.

Mr. Speaker, the veterans believe in justice; they oppose discrimination among veterans whether intended or not, and it was and is my view that if the Congress legislates to provide additional benefits and additional compensation for the heroes who lost their legs, we should at the same time provide for others who suffered similar disabilities, with similar degrees and percentages of disabilities that entitled them to compensation. I am now confirmed in that belief. The amendment adopted by the Senate differs from the bill that was proposed to be passed in the House by unanimous consent, and the substitute now proposed differs from either the House bill or the amendment adopted by the Senate. In my judgment, sympathizing as I do profoundly with all, having insisted through

the years that the wounded, the disabled, and their dependents, are entitled to first consideration, we should provide for all without discrimination and that in a generous effort to provide for some, we will not even satisfy all of the men who lost one or both of their limbs. We will satisfy a comparatively few of those who are mangled and wounded, but there are many others who will be dissatisfied by the passage of this bill. There will be a far greater number of those who lost their eyes, their arms or who were otherwise disabled and mangled, who will be dissatisfied.

For these reasons I insisted that the bill be given further consideration by the Committee on World War Veterans' Legislation. The chairman of the Committee on Appropriations has just stated that this Congress during the session since January 1946 has appropriated a total of approximately \$10,400,000,000 for the Veterans' Administration and the veterans of our wars. If we have not made adequate and generous provisions for them all, for all who suffered similar disabilities, we ought to consider all, as we considered all, when we passed the GI bill.

We ought not to take it up piecemeal and provide for some, because in providing for some we will disappoint many. It is my thought that the United States of America, having made the most generous provision for her veterans ever made by any nation in all history, should do its dead level best to provide for all, giving all, without discrimination, whether intended or not, the same consideration, no matter how badly wounded or disabled the veteran might be.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. WHITTINGTON. Mr. Speaker, while the proposed substitute is not adequate and while all disabled should be considered the substitute proposal is an improvement on the House bill and on the amendment adopted by the Senate. It limits the appropriation to those who were disabled in line of duty. It differs therein from the Senate amendment. It limits it to those who are able to obtain licenses for the operation of the cars. It restricts the kinds of cars that may be purchased, differing therein from both the House bill and the Senate amendment, and limits it to cars with appliances that can only be used by the amputees if and when the Administrator of Veterans' Affairs decides that they are qualified and capable of operating them.

My sympathies go out to the men who are disabled and wounded. I always thought that this bill ought to be carefully considered. We might as well be frank. There is resentment by many patriotic citizens at Congress because there is sentiment in the country that we have not been as careful in the consideration of veterans' legislation as we should have been. There is a fault, and it is either in the legislation or the administration of it, because many good patriotic citizens have complained to me, as I have understood they have to other

Members of Congress, that the provisions that we made in veterans' legislation for unemployment compensation are being abused, and that the provisions that Congress has made for training and for rehabilitating have been abused. I thought and still think that we should give more careful consideration to all the legislation that we have provided for veterans giving to the disable men hospitalization, providing for their rehabilitation, giving them means of locomotion, if the Administrator who is in charge of the Veterans' Administration says and reports to Congress that they need it after careful study, and that we should do justice by all, whether they have lost their legs, their arms, or their eyes.

I extend to say it is a mistake to pass the pending appropriation at the present time without providing comparable benefits for all veterans who have lost one or both or any part of their legs and for all veterans with similar loss of organs whether they be legs, arms, or eyes, or whether the disabilities are such that the veterans are even more disabled.

Veterans who have lost both legs in many cases draw \$200 a month. Congress has recently increased the compensation 20 percent. They are also provided with rehabilitation and training so as to give them an opportunity to follow a business, trade, or profession in keeping with their disabilities. They are allowed hospitalization. If any additional reasonable provisions can be made for them, whether it be to assist them with conveyances, and if similar provision can be made for other veterans with similar percentages of disability and the interests of all will be promoted thereby, I will give careful consideration in the future as in the past to any additional needed benefits not only to amputees but to other veterans with similar percentages and degrees of disability.

It is my view that the pending bill with provision for one class of our disabled veterans will cause dissension among the veterans themselves. I put it mildly when I say that, in my judgment, the passage of even the substitute proposed by the pending motion, although a vast improvement on the said H. R. 7171, and the amendment inserted as a rider in the Senate in the pending deficiency appropriation bill, will not be satisfactory to disabled veterans. Nevertheless, in pleasing a few of the amputees, other amputees will be disappointed, other veterans will be dissatisfied. The provisions of this substitute will be a headache to the disabled and wounded veterans as well as to Congress. The whole matter of benefits to the disabled and wounded should be restudied when Congress reassembles so that justice may be done to all veterans who have been mangled and wounded with a loss of organs, whether eyes or arms or legs, and with other bodily wounds and similar disabilities. I am interested in promoting the welfare of all disabled and all wounded veterans. I think it unwise to accord special treatment to one class and refuse or delay similar treatment to others suffering with comparable disabilities and with similar percentages of disability.

Mr. CANNON of Missouri. Mr. Speaker, I yield 7 minutes to the gen-

tleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, in reply to our distinguished colleague from Mississippi, let me say that the veterans' laws are not the only ones that have not been properly administered. I asked for a rule day before yesterday in order that this bill might be brought to the floor of the House for amendments. In my honest opinion it is unfortunate that the word "automobile" was ever used in connection with this legislation. I said before the Committee on Rules, and I say now, that I would much rather vote for a readjustment rehabilitation allowance of \$1,500 for every veteran who lost a hand or a foot or an eye or who became paralyzed as a result of injuries received in the war. There are about 20,000 of them. The cost at the outside would not be more than \$30,000,000.

I am not unmindful of the fact that we are pouring money by the billions into the sink holes of Europe. I voted against the British loan, or the British gift, because I saw them repudiate their debts to the United States after the last war.

These men are not gold brickers. They are not men who clamored for war and then dodged the draft. I wonder how many millionaires in this country we will uncover yet who clamored for war and then dodged the draft, or sought a storm cellar where they could make money out of the conflict.

These are front-line men. They are men for whom the war will never end. They are men who will carry the scars of battle to their graves.

I, for one, would much rather give them a readjustment allowance of \$1,500 apiece than vote \$400,000,000 for the prefabricated housing racketeers who are getting rich now at the expense of the servicemen, unloading prefabricated houses on them at three or four times what they are worth.

I would much rather give this \$30,000,000 to the men who lost legs or the men who lost hands or the men who lost their eyes, or the men who became paralyzed as the result of war injuries, or the men who are now forced to lie motionless, using iron lungs in order to breathe—I would much rather give them \$30,000,000 and say to them, "Take this and do as you please with it."

I am going to support this amendment, but my honest opinion is that when you bring this in with an automobile provision in this way you probably do a great psychological injustice to these men. You are going to force them to prove they need an automobile before they can get this compensation.

I have been chairman of the Veterans' Committee now since 1931. Someone has said that you never get any praise for what you do for veterans, but you get cussed for what you do not do. That is not altogether true. I have passed more veterans' legislation under my name than any other man who has ever served in Congress. Several years ago you remember I led the fight here to raise the base pay of the men in the armed forces to \$50 a month. I said we were not paying the men in the rank and file adequately. I have never known anything to contribute so much to increasing or building

up the morale of the men in the armed forces as the passage of that measure to raise the base pay to \$50 a month.

This \$30,000,000 is a mere bagatelle compared to what we are spending for other things. As I said, I will support the amendment, but I would much prefer to have had this bill come in under a rule and let us provide this amount for every man who lost a leg, an eye, or an arm, or who had become paralyzed, or disabled for 1 year, as a result of his service in the war.

The SPEAKER. The time of the gentleman from Mississippi has expired.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks will appear hereafter in the Appendix.]

Mr. HAND. Mr. Speaker, I am glad to note that Congress is about to pass legislation to provide automobiles for veterans who, by reason of their war injuries, require such a special aid in order to restore them to useful civilian life. I call attention, with some pride, to the fact that the original bill on this subject, H. R. 6089, was introduced by me on April 12, 1946. That bill provides:

That the Veterans' Administration shall cause to be furnished to all honorably discharged veterans of World War II who are certified by the administration to be true paraplegic cases, specially designed automobiles to enable such veterans to engage in useful occupations: *Provided*, That no such automobile shall be furnished to a paraplegic veteran until it is established to the satisfaction of the Veterans' Administration that (a) such veteran is physically able to safely operate such automobile; and (b) will be licensed to do so by the State of his domicile.

SEC. 2. There is hereby authorized to be appropriated to the Veterans' Administration a sum not exceeding \$2,000,000 for this purpose.

Later additional legislation was introduced by Congresswoman ROGERS of Massachusetts and others to include amputees. While this later legislation has been criticized in some quarters as being ultra-generous, it nevertheless is consistent with the policy of Congress to do what is necessary to restore to useful civilian life our veterans who have sacrificed their bodies for the common welfare.

I think, Mr. Speaker, I may be permitted to express some satisfaction in the part that I played in this legislation.

[Mr. CANNON of Missouri addressed the House. His remarks will appear hereafter in the Appendix.]

CORRECTION OF RECORD

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to correct the RECORD of yesterday, in an extension of my remarks appearing in the Appendix at page 4985, because of the confusion in reprinting between the tabular material and my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. KNUTSON (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks.

Mr. McCORMACK (at the request of Mr. BULWINKLE) was given permission to

extend his remarks in the RECORD with respect to the legislative achievements of the Seventy-ninth Congress.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. Koerber, its assistant enrolling clerk, announced, that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5626) entitled "An act to authorize the Veterans' Administration to appoint and employ retired officers without affecting their retired status," and for other purposes.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

DECLARATION OF RECESS

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare a recess of the House at any time today.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HENDRICKS. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the Committee on Rules if he is going to call up some rules because I am interested in one particular rule.

The SPEAKER. The gentleman from Illinois [Mr. SABATH] is going to file a rule as soon as he can get recognition.

Mr. SABATH. Mr. Speaker, I have been trying to file it earlier during the day and I have it in my hand now.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

APPOINTMENT OF COMMISSIONS AND COMMITTEES

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that, notwithstanding the sine die adjournment of the House, the Speaker be authorized to appoint commissions and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS UNTIL LAST EDITION OF RECORD

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that all Members of the House shall have the privilege until the last edition authorized by the Joint Committee on Printing is published to extend and revise their own remarks in the CONGRESSIONAL RECORD, on more than one subject, if they so desire, and also to include therein such short quotations as may be necessary to explain or complete such extension of remarks; but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the adjournment of Congress.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AUTHORIZING CLERK OF HOUSE TO RECEIVE SENATE MESSAGES

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that, notwithstanding the sine die adjournment of the House, the Clerk be authorized to receive messages from the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AUTHORIZING CLERK OF THE HOUSE TO DESIGNATE A SUBORDINATE

Mr. BULWINKLE. Mr. Speaker, I ask for the immediate consideration of a resolution (H. Res. 753) which I send to the Clerk's desk:

The Clerk read the resolution, as follows:

Resolved, That in order that the duties of his office may be discharged in case of his absence or disability or in case his office should become vacant, the Clerk of the House of Representatives on or before August 2, 1946, shall designate a subordinate in his office to perform the duties thereof in any of such contingencies until there shall have been an election of officers of the House at the commencement of the Eightieth Congress. Such designee, when acting under this authorization, shall subscribe himself as Acting Clerk of the House of Representatives, and shall be paid in addition to his present compensation, from the contingent fund of the House, an additional amount at the rate of \$200 per month, dating from the date of his designation until the commencement of the Eightieth Congress.

The Clerk of the House shall promptly communicate to the Speaker the name of the employee designated hereunder for the information of the House.

The resolution was agreed to.

COMMITTEE ON POSTWAR ECONOMIC POLICY AND PLANNING

Mr. COLMER. Mr. Speaker, I ask unanimous consent for the immediate consideration of a resolution (H. Res. 754), which I send to the desk.

The Clerk read the resolution, as follows:

Resolved, That the Special Committee on Postwar Economic Policy and Planning be authorized to continue its investigations authorized under House Resolution 408 of the Seventy-eighth Congress as continued by House Resolution 60 of the Seventy-ninth Congress notwithstanding the adjournment of the House. The Committee on Postwar Economic Policy and Planning shall make reports to the House of the results of its studies and investigations provided for in said resolutions, House Resolution 408 of the Seventy-eighth Congress as continued by House Resolution 60 of the Seventy-ninth Congress, during recesses and adjournments and that such reports shall be filed with the Clerk of the House for printing.

The resolution was agreed to.

MEDITERRANEAN FRUITFLY ERADICATION

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 757) for printing in the RECORD:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3760) for the relief of certain claimants who suffered losses and sustained damages as the result of the campaign carried out by the

Federal Government for the eradication of the Mediterranean fruitfly in the State of Florida; that after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Claims, the bill shall be read for amendment under the 5-minute rule; that at the conclusion of the consideration of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit; that after the passage of the bill (H. R. 3760) it shall be in order to move to discharge the Committee on Claims from the further consideration of the bill S. 1250 and the House shall proceed to consider the same.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today on the Morford case.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and insert therein a résumé and analysis of the important recent measures and a digest of committee action with reference to veterans' legislation in the Seventy-ninth Congress, together with an index. I have an estimate from the Government Printing Office that this will cost \$240. Notwithstanding the extra cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD in two instances and include a newspaper article.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include an elegy to the memory of the late Franklin Delano Roosevelt.

Mr. FORAND. Mr. Speaker, on yesterday I requested permission for the gentleman from Oklahoma [Mr. STRIGLER] to extend his remarks. I am advised by the Public Printer that the cost will be \$150. Notwithstanding the extra cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. GORSKI asked and was given permission to extend his remarks in the RECORD and include a plea for human rights for the Baltic states published by the League for Lithuanian Freedom.

Mr. MORRISON asked and was given permission to extend his remarks in the RECORD in four instances, in one to include a letter, in a second to include a

letter, and in a third to include two of his own letters.

Mr. DE LACY asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include a statement by 135 veterans on the Philippine situation.

Mr. BOYKIN (at the request of Mr. RIVERS) was granted permission to extend his remarks in the RECORD in two instances and include reports from the Secretary of the Interior and the Secretary of Agriculture on Government-owned patents.

Mr. LEA asked and was given permission to extend his own remarks in the RECORD.

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD in three instances, in the first two to include editorials and in the third to include some letters.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD in three instances, in one to include a speech by Howard Williams.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD at the point where the amputee amendment was under consideration and to include certain bills.

HISTORICAL RECORD OF AMERICA'S FIGHTING CONGRESS

Mr. JARMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. Res. 755), which I send to the desk.

The Clerk read the resolution, as follows:

Resolved, That a revised edition of the historical record of America's Fighting Congress, by William P. Kennedy, doctor of literature, be printed as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TIBBOTT asked and was given permission to extend his own remarks in the Appendix and include an address.

Mr. ELLIS, Mr. GROSS, Mrs. BOLTON, Mr. JENKINS, and Mr. HAND asked and were given permission to extend their remarks in the Appendix of the RECORD.

Mr. WOLVERTON of New Jersey asked and was given permission to extend his remarks in seven separate instances, and to include extracts from testimony, reports, and so forth.

Mr. SCHWABE of Missouri asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from the Amvets, and a column and a news story from the Washington Post of this morning.

Mr. BROWN of Ohio asked and was given permission to extend his own remarks in the RECORD and include an article from the Washington Post of Friday, August 2.

Mr. HAND asked and was given permission to extend his remarks in the RECORD at that point in the consideration of the conference report on the defi-

ciency appropriation bill, following amendment No. 24, providing automobiles for amputee veterans.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article and an editorial.

Mr. PHILLIPS. Mr. Speaker, I have three requests: First, that I may extend my own remarks in the Appendix of the RECORD and include a letter from the Independent Petroleum Association; second, that I may extend my remarks on the subject of the naming of Hoover Dam and insert the supporting material; and third, that I may make a correction in the form of an addition to remarks I made yesterday.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. BARRETT of Wyoming asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. HESELTON asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances.

Mr. REED of New York asked and was given permission to extend the remarks he made today on the social security conference report and include tables and other matters.

Mr. AUCHINCLOSS (at the request of Mr. CANFIELD) was given permission to extend his remarks in the Appendix of the RECORD and include a short address.

Mr. FULLER (at the request of Mr. CANFIELD) was given permission to extend his remarks and include a newspaper article.

Mr. CANFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. SCHWABE of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include a newspaper article which may slightly exceed the limit fixed by the Joint Committee on Printing.

The SPEAKER. Notwithstanding the excess, without objection, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. MUNDT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. GWINN of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include excerpts from the Bulletin of the National Republican Club.

Mr. TALLE asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein sundry acts.

Mr. ROBERTSON of North Dakota asked and was given permission to extend

Aug. 8

[PUBLIC LAW 663—79TH CONGRESS]

[CHAPTER 870—2D SESSION]

[H. J. Res. 390]

JOINT RESOLUTION

Making additional appropriations for the fiscal year 1947, and for other purposes.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide additional appropriations for the fiscal year ending June 30, 1947, and for other purposes, namely:

TITLE 1—GENERAL APPROPRIATIONS

LEGISLATIVE

SENATE

To enable the Secretary of the Senate to make the additional disbursements and to perform the additional duties and functions required of his office by reason of the enactment of the Legislative Reorganization Act of 1946, fiscal year 1947, \$173,667; and he is hereby authorized, subject to the approval of the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate (Committee on Rules and Administration, if and when elected), to allocate necessary portions of the said sum to the various Senate appropriations and to make transfers between same, including those contained in the Legislative Branch Appropriation Act for the fiscal year 1947 and those provided for in the said Reorganization Act: *Provided, however*, That the positions and funds now allocated to any Senator or to any standing committee chairman shall be continued until March 31, 1947, unless otherwise directed by the Senator or the chairman.

ADMINISTRATIVE ASSISTANTS TO SENATORS

For compensation of an administrative assistant to each Senator, to be appointed by him, at a base salary of not to exceed \$8,000 per year, to assist him in carrying out his departmental business and other duties, fiscal year 1947, \$384,000, or so much thereof as may be necessary, to be available at the beginning of the Eightieth Congress.

SENATE POLICY COMMITTEE

For maintenance of a staff for a majority policy committee and a minority policy committee in the Senate, consisting of seven members each, for the formulation of over-all legislative policy of the respective parties, the members of such staffs to assist in study, analysis, and research on problems involved in policy determinations, and to be appointed, and their compensation fixed, by the policy committee concerned, at rates not to exceed \$8,000 per annum in any case, \$15,000 for each such committee, in all, fiscal year 1947, \$30,000, to be available at the beginning of the Eightieth Congress.

CONTINGENT EXPENSES OF THE SENATE

For purchase, exchange, driving, maintenance, and operation of two automobiles, one for the majority leader of the Senate and one for the minority leader of the Senate, fiscal year 1947, \$13,000.

For an additional amount for expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words, fiscal year 1947, \$150,000: *Provided*, That no part of this appropriation shall be expended for per diem and subsistence expenses except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended.

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For an amount necessary to increase salaries in the Senate Press Gallery, beginning July 1, 1946, as follows: Superintendent from \$3,660 to \$3,820; one assistant superintendent from \$3,000 to \$3,200; and one assistant superintendent from \$1,920 to \$2,100; in all, fiscal year 1947, \$540; and the Legislative Branch Appropriation Act for the fiscal year 1947 hereby is amended accordingly.

HOUSE OF REPRESENTATIVES

Salaries and expenses, Office of the Clerk: Subject to the approval of the chairman of the Committee on Accounts (Committee on House Administration, if and when elected), the Clerk of the House of Representatives is authorized, until February 15, 1947, to incur such expenses for personal services and for supplies and materials as may be necessary to enable him to discharge the additional duties imposed upon him by S. 2177, Seventy-ninth Congress, and to charge such expenses to the contingent fund of the House: *Provided*, That this authority is subject to the enactment into law of such S. 2177.

Contingent expenses, folding documents: For an additional amount for folding speeches and pamphlets, at a rate not exceeding \$1 per thousand or for the employment of personnel at a rate not to exceed \$5.20 per day per person, fiscal year 1947, \$15,000.

JOINT COMMITTEE ON PRINTING

Biographical Congressional Directory: To enable the Secretary of the Senate to pay, upon vouchers approved by the chairman or vice chairman of the Joint Committee on Printing, for compiling and preparing a revised edition of the Biographical Directory of the American Congress (1774-1948) as provided for in House Concurrent Resolution Numbered 163, adopted July 26, 1946, not to exceed \$35,000; and said sum or any part thereof, in the discretion of the chairman or vice chairman of the Joint Committee on Printing, may be paid as additional compensation (at not to exceed \$1,800 per annum) to any employee of the United States, and shall continue to be available until expended.

JOINT COMMITTEE ON THE ECONOMIC REPORT

For salaries and expenses of the Joint Committee on the Economic Report created by section 5 of Public Law Numbered 304, Seventy-ninth Congress, entitled "An Act to declare a national policy on employment, production, and purchasing power, and for other purposes", approved February 20, 1946, fiscal year 1947, \$25,000.

EXECUTIVE OFFICE OF THE PRESIDENT

ARMED FORCES LEAVE PAYMENTS

Payments under the Armed Forces Leave Act of 1946: For all expenses necessary to enable the President through the Treasury, War, and Navy Departments to carry out the provisions of the Armed Forces Leave Act of 1946, including cash payments to members and former members of the armed forces, payments to the Treasurer of the United States of amounts representing the face value of bonds issued to such servicemen, and administrative expenses until June 30, 1948, including printing and binding, penalty mail costs, and personal services in the District of Columbia and elsewhere without regard to section 14 (a) of the Federal Employees Pay Act of 1946, \$2,431,708,000, to be available (except as to administrative expenses) until expended and for allocation to said departments by transfer to and merger with appropriations thereof or otherwise, in such amounts respectively as may be determined by the Director of the Bureau of the Budget.

ATOMIC ENERGY

Such part as the President may determine of the unexpended balances of appropriations, allocations, or other funds available for expenditure in connection with the Manhattan Engineer District are hereby transferred to and shall be available for allocation by the President to such agencies as he may determine for expenditure for the purpose of carrying out provisions of the Atomic Energy Act of 1946: *Provided*, That such appropriations shall be available for personal services in the District of Columbia and elsewhere without regard to section 14 (a) of the Federal Employees Pay Act of 1946.

COUNCIL OF ECONOMIC ADVISERS

Salaries and expenses: For all necessary expenses, fiscal year 1947, of the Council of Economic Advisers in carrying out its functions under the Employment Act of 1946 (Public Law 304), including personal services in the District of Columbia and elsewhere; temporary employment of persons or organizations without regard to civil-service and classification laws; acceptance and utilization of voluntary and uncompensated services; lawbooks, books of reference, newspapers, and periodicals; printing and binding; purchase of one, and hire, maintenance, operation, and repair of passenger automobiles; travel expenses, including expenses of attendance at meetings or organizations concerned with the work of this agency; and not to exceed \$8,000 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the Act of June 28, 1944 (Public Law 364); \$275,000.

OFFICE OF PRICE ADMINISTRATION

Salaries and expenses: For an additional amount, fiscal year 1947, for "Salaries and expenses", including the objects and subject to the conditions specified under this head in the Third Deficiency Appropriation Act, 1946, \$26,000,000.

OVERTIME, LEAVE, AND HOLIDAY COMPENSATION

Overtime, leave, and holiday compensation: To enable the President through the departments and agencies concerned to pay claims for overtime, leave, and holiday compensation at night rates as certified under the provisions of H. R. 6532, Seventy-ninth Congress, and subject to the enactment of such bill, \$20,000,000, to be available until expended for allocation to the departments and agencies concerned in such amounts respectively as may be determined by the Director of the Bureau of the Budget.

INDEPENDENT OFFICES

FEDERAL SECURITY AGENCY

Grants to States for maternal and child health services: For an additional amount, fiscal year 1947, for grants to States for maternal and child health services, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, \$6,885,000: *Provided*, That such additional amounts shall be allotted on a pro rata basis among the several States in proportion to the amounts to which the respective States are entitled for each fiscal year by reason of section 401 of the Social Security Act Amendments of 1946.

Grants to States for services for crippled children: For an additional amount, fiscal year 1947, for grants to States for services for crippled children, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, \$4,597,500: *Provided*, That such additional amounts shall be allotted on a pro rata basis among the several States in proportion to the amounts to which the respective States are entitled for each fiscal year by reason of section 401 of the Social Security Act Amendments of 1946.

Grants to States for child-welfare services: For an additional amount, fiscal year 1947, for grants to States for child-welfare services, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, \$2,617,500: *Provided*, That such additional amounts shall be allotted on a pro rata basis among the several States in proportion to the amounts to which the respective States are entitled for each fiscal year by reason of section 401 of the Social Security Act Amendments of 1946.

Salaries and expenses, maternal and child welfare: For an additional amount, fiscal year 1947, for salaries and expenses, maternal and child welfare, including the objects specified under this head in the Department of Labor Appropriation Act, 1947, and including also travel, printing and binding, penalty mail, contingent and other expenses, \$425,000.

The appropriations contained in the four preceding paragraphs shall not be available for obligation until the enactment into law of H. R. 7037, Seventy-ninth Congress.

PUBLIC HEALTH SERVICE

Hospital and construction activities: For carrying out the provisions of title VI of the Public Health Service Act as amended (S. 191), fiscal year 1947, including travel; printing and binding; the objects specified in the paragraph immediately following the caption "Public Health Service" in the Federal Security Agency Appropriation Act, 1947; and the purchase of eight passenger automobiles; \$2,350,000, of which not to exceed \$120,600 may be transferred to the appropriation "Pay, and so forth, commissioned officers, Public Health Service", for not to exceed twenty-eight commissioned officers, and not to exceed \$34,175 may be transferred to the appropriation "Salaries, Office of the General Counsel", Office of the Administrator, Federal Security Agency: *Provided*, That the availability of this appropriation is contingent upon the enactment into law of said S. 191.

FEDERAL WORKS AGENCY

PUBLIC ROADS ADMINISTRATION

Damage claims: For the payment of claims for damage to roads and highways under the Defense Highway Act of 1941, as amended (23 U. S. C. 110), as follows: "The Commissioner of Public Roads is authorized to reimburse the several States for the necessary rehabilitation or repair of roads and highways of States or their subdivisions substantially damaged by the Army or the Navy, or both, by any other agency of the Government, and so forth", as fully set forth in House Document Numbered 727, Seventy-ninth Congress, \$21,012.64.

War and emergency damage, Territory of Hawaii: For carrying out the provisions of section 2 of the Act entitled "An Act to provide emergency relief for the victims of the seismic waves which struck the Territory of Hawaii, and for other purposes", to be expended by the Commissioner of Public Roads in accordance with provisions applicable to its customary operations in the construction, rehabilitation, and repair of roads, highways, and bridges, by contract or otherwise, and necessary expenses incident thereto without regard, outside continental United States, to section 3709 of the Revised Statutes, including personal services in the District of Columbia or elsewhere and employment of personnel outside the continental United States without regard to civil-service and classification laws, and the purchase of passenger motor vehicles, \$8,000,000, to remain available until expended.

BUREAU OF COMMUNITY FACILITIES

Emergency relief for the Territory of Hawaii: For carrying out the provisions of section 1 of the Act entitled "An Act to provide emergency relief for the victims of the seismic waves which struck the Territory of Hawaii, and for other purposes", \$1,300,000, to remain available until expended, of which amount not to exceed \$65,000 shall be available for administrative expenses of the Bureau of Community Facilities, including travel, the purchase of two passenger motor vehicles, and personal services in the District of Columbia and elsewhere.

PRICE DECONTROL BOARD

Salaries and expenses: For all necessary expenses, fiscal year 1947, of the Price Decontrol Board in carrying out its functions under the Price Control Extension Act of 1946 and all other powers and duties and functions which may be lawfully vested in the Price Decontrol Board, including personal services in the District of Columbia and elsewhere; temporary employment of persons or organizations by contract or otherwise without regard to civil-service and classification laws; acceptance and utilization of voluntary and uncompensated services; lawbooks, books of reference, newspapers and periodicals; printing and binding; purchase of one, and hire, maintenance, operation, and repair of passenger automobiles; travel expenses, including expenses of attendance at meetings or organizations concerned with the work of the Board; and not to exceed \$5,000 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the Act of June 28, 1944 (Public Law 364); \$250,000.

VETERANS' ADMINISTRATION

Automobiles and other conveyances for disabled veterans: To enable the Administrator of Veterans' Affairs to provide an automobile or other conveyance, at a cost per vehicle or conveyance of not to exceed \$1,600, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II who is entitled to compensation for the loss, or loss of use, of one or both legs at or above the ankle under the laws administered by the Veterans' Administration, \$30,000,000: *Provided*, That no part of the money appropriated by this paragraph shall be used for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance under the provisions of this paragraph until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided further*, That under such regulations as the Administrator may prescribe the furnishing of such automobile or other conveyance shall be accomplished by the Administrator paying the total purchase price to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran.

DEPARTMENT OF COMMERCE

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Export control: For an additional amount, fiscal year 1947, for "Export control", including the objects specified under this head in the Department of Commerce Appropriation Act, 1947, \$400,000.

DEPARTMENT OF LABOR

BUREAU OF LABOR STATISTICS

Salaries and expenses: For an additional amount, fiscal year 1947, for "Salaries and expenses", including the objects specified under

this head in the Department of Labor Appropriation Act, 1947, \$25,000, to be available for obligation until January 31, 1947.

DEPARTMENT OF STATE

INTERNATIONAL OBLIGATIONS

Philippine rehabilitation: The third proviso of the appropriation under this head contained in the Third Deficiency Appropriation Act, 1946, hereby is corrected to read as follows: "*Provided further*, That the Secretary of State, or such official as he may designate, is authorized to transfer from any of the foregoing amounts to any department or independent establishment of the Government for participation in the foregoing programs, sums for expenditure by such department or establishment for the purposes hereof, and sums so transferred shall be available for expenditure in accordance with the provisions hereof and, to the extent determined by the Secretary of State, in accordance with the law governing expenditures of the department or establishment to which transferred: *Provided further*, That transfers of funds to participating agencies for the programs set forth in sections 302 to 305 of the Act shall be approved by the President prior to such transfers:".

TREASURY DEPARTMENT

STRATEGIC AND CRITICAL MATERIALS (ACT OF JULY 23, 1946)

For all expenses necessary for the procurement, transportation, maintenance, rotation, storage, and refining or processing of strategic and critical materials for national defense purposes, as authorized by the Strategic and Critical Materials Stockpiling Act (Public Law 520, Seventy-ninth Congress), including personal services and rental and maintenance of storage space in the District of Columbia and elsewhere, \$100,000,000: *Provided*, That any funds received as proceeds from sale or other disposition of materials on account of rotation of stocks of strategic and critical materials shall be deposited to the credit, and be available for expenditure for the purposes, of this appropriation.

WAR DEPARTMENT

MILITARY ACTIVITIES

Military assistance, Philippines: Any or all of the appropriations of the Military Establishment for the fiscal year 1947 shall be available, in a total amount of not to exceed \$19,750,000, for all expenses necessary to enable the President through the War Department to carry out the provisions of the Republic of the Philippines Military Assistance Act.

Atomic Service: The amount named in the last proviso of the appropriation "Atomic Service", contained in the Military Appropriation Act, 1947, may be increased to such an amount as the President may approve, which shall be determined and communicated to the chairmen of the Committees on Appropriations of the Senate and House of Representatives, respectively, within thirty days after the enactment of this Act.

CIVIL FUNCTIONS—SIGNAL CORPS

Alaska Communication System: For an additional amount, fiscal year 1947, for "Alaska Communication System", including the objects specified under this head in the War Department Civil Appropriation Act, 1947, \$200,000, to remain available until the close of the fiscal year 1948.

TITLE II—JUDGMENTS AND AUTHORIZED CLAIMS

PROPERTY DAMAGE CLAIMS

SEC. 201. For the payment of claims for damages to or losses of privately owned property adjusted and determined by the following respective departments and independent offices, under the provisions of the Act entitled "An Act to provide a method for the settlement of claims arising against the Government of the United States in the sum not exceeding \$1,000 in any one case", approved December 28, 1922 (31 U. S. C. 215), as fully set forth in House Document Numbered 725, Seventy-ninth Congress, as follows:

Federal Works Agency, \$136.15;
 Department of Commerce, \$71.86;
 Department of the Interior, \$905.26;
 Treasury Department, \$312.30;
 In all, \$1,425.57.

JUDGMENTS, UNITED STATES COURTS

SEC. 202. For the payment of final judgment, which has been rendered under the provisions of the Act of March 3, 1887, entitled "An Act to provide for the bringing of suits against the Government of the United States", as amended by section 297 of the Act of March 3, 1911 (28 U. S. C. 761), and which has been certified to the Seventy-ninth Congress in House Document Numbered 719, under the following agency:

War Department, \$218.92, together with such additional sum as may be necessary to pay interest as and where specified in the judgment, and such judgment shall not be paid until the right of appeal has expired.

JUDGMENTS, UNITED STATES COURT OF CLAIMS

SEC. 203. (a) For payment of judgments rendered by the Court of Claims and reported to the Seventy-ninth Congress in House Document Numbered 726, under the following agencies, namely:

Federal Works Agency, \$49,000;
 National Housing Agency:
 Federal Public Housing Authority, \$8,829.05;
 Treasury Department, \$12,909.42;

In all, \$70,738.47, together with such additional amount as may be necessary to pay interest as and where specified in the judgments;

(b) None of the judgments contained under this caption shall be paid until the right of appeal shall have expired except such as have become final and conclusive against the United States by failure of the parties to appeal or otherwise.

Payment of interest wherever provided for judgments contained in

this Act shall not in any case continue for more than thirty days after the date of approval of this Act.

AUDITED CLAIMS

SEC. 204. For the payment of claims certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the Act of June 20, 1874 (31 U. S. C. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1944 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the Act of July 7, 1884 (5 U. S. C. 266), as fully set forth in House Document Numbered 728, Seventy-ninth Congress, there is appropriated the sum of \$504,495.10, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency and interest as specified in certain of the settlements of the General Accounting Office, to be disbursed and accounted for as a single fund, and \$1,728.43 payable from postal revenues; in all, \$506,223.53.

SEC. 205. For the payment of claims allowed by the General Accounting Office pursuant to the Act entitled "An Act granting travel pay and other allowances to certain soldiers of the War with Spain and the Philippine Insurrection who were discharged in the Philippine Islands", approved December 5, 1945 (Public Act Numbered 247, Seventy-ninth Congress), and which have been certified to the Seventy-ninth Congress under section 2 of the Act of July 7, 1884 (5 U. S. C. 266), under the War Department in House Document Numbered 724, \$30,591.32.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation in this Act shall be guilty of a felony and, upon conviction, shall be

fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 302. Section 2 (a) of the Act of June 11, 1946 (Public Law 404, Seventy-ninth Congress), is amended by striking out the period at the end thereof and inserting a semicolon and the following: "and the Veterans' Emergency Housing Act of 1946."

SEC. 303. This Act may be cited as the "First Supplemental Appropriation Act, 1947".

Approved August 8, 1946.

